

Results Review

Resources Request

FY 2000

USAID/El Salvador

April 6, 1998

TABLE OF CONTENTS

Preface	1
----------------------	---

PART I

FACTORS AFFECTING PROGRAM PERFORMANCE

Overview	3
USAID/El Salvador 1997 Achievement Highlights	6
Common Objectives	7

PART II

PROGRESS TOWARD OBJECTIVES AND STATUS OF MANAGEMENT CONTRACT

Summary Table of SO Performance	10
Expanded Access and Economic Opportunity for Rural Families in Poverty	
Narrative	11
Success Story	18
Performance Data Tables	19
More Inclusive and Effective Democratic Processes	
Narrative	29
Success Story	36
Performance Data Tables	37
Sustainable Improvements in Health of Women and Children	
Narrative	46
Success Story	52
Performance Data Tables	53
Increased Use of Environmentally Sound Practices in Selected Areas	
Narrative	63
Success Story	69
Performance Data Tables	70

Assist El Salvador to Make the Transition from War to Peace	
Narrative	76
Success Story	80
Performance Data Tables	81
Environmental Compliance	87
Status of Management Contract	87
Increased Access by Rural Households to Clean Water	
Response to DAEC Concerns	88
Donor Table	91
Policy Matrix	93
Performance Data Tables	95

PART III

RESOURCES REQUEST

Financial Plan	103
Prioritization of Objectives	107
Linkage with Centrally Funded Mechanisms	108
Global Field Support Table	111
Operating Expense and Work Force Narrative	112
Work Force Tables	116
Trust Funds and Foreign Service National Separation Fund	122
Operating Expense Tables	123

APPENDIX

List of Acronyms	128
-----------------------------------	------------

Preface

The U.S. Embassy in San Salvador was a pilot post for the Mission Performance Plan (MPP) and thus has gone further than most embassies in integrating the R4 and MPP processes. Indeed, USAID was essential to our effort to put together a model MPP. The rigorous examination of the post's programs and activities conducted during the MPP process has enabled us to clearly identify the objectives we wish to pursue. Those same objectives are well-reflected in the R4. USAID shares responsibility for the democratic strengthening and economic growth goals with my office, USIS, ICITAP and the Political and Economic Sections. USAID is the lead agency for key global interests like health, population stabilization and the environment. In essence, I see the R4 as an extension of the MPP, the latter being a more generalized strategy document, with the former filling in many of the details regarding our overall country program.

Anne W. Patterson
Ambassador

April 6, 1998

PART I

FACTORS AFFECTING PROGRAM PERFORMANCE

Overview

This past year saw El Salvador make significant strides in building its foundation for sustainable development to face the challenges of the new millennium. The country's macroeconomic fundamentals are sound. Changes in the political landscape have led to greater pluralism and consensus building, and reflect a growing acceptance of participatory democratic processes. In this context, USAID completed its first full year of implementing its current strategy; its portfolio is realigned and the mission's program is not only on track, but gaining momentum. No significant changes to the strategy are proposed in this R4.

In 1997, El Salvador's economy began to recover from the 1996 cyclical downturn and shock caused by the 1995 Mexican financial crisis. Real GDP growth picked up slightly, reaching about 3.5%. The happy surprise of 1997 was the reduction in inflation to about 2%. Trade reform continued, with a further reduction in duties (to a 0-18% range) that was implemented in January 1998, and was bolstered by customs reform and a simplification of border procedures for agricultural trade. Recent public utilities deregulation and the sale of the four power distribution companies were vital steps to increase foreign investment in key sectors. The expectation for 1998 is for further strengthening of the economy with real growth of about 4.5%, and continued low inflation.

Fiscal management, however, continues to be problematic, as El Salvador struggles to maintain a tax effort of 11%. Expenditures have been restrained to the detriment of public sector efficiency and investment. Failure of a bank in mid-1997 revealed serious flaws in bank supervision.

The March 1997 legislative and mayoral elections produced a profound change in the political environment. The once dominant ARENA party and the major opposition party, the FMLN, each now hold approximately one-third of the seats in the 84-member legislature, with smaller parties splitting the remainder. Control of 262 municipal councils is also more widely distributed among political parties. The number of ARENA-held municipalities dropped from 211 to 160. The other 102 municipalities were won by the FMLN other smaller parties, and multi-party coalitions. Thus, the pattern of executive-legislative-municipal domination by one party that characterized the 1980s and early 1990s, has yielded to a more balanced representation of political views in legislative and municipal government. With greater pluralism, the executive, legislative and judicial branches plus the municipalities began the difficult process of learning to govern democratically through negotiation, compromise and transparency.

This process was most evident in the Legislative Assembly where all parties agreed to adopt consensus, public participation and transparency as the new basis for legislative debate. A coalition of all eight opposition parties overturned a highly controversial telecommunications privatization law enacted by the previous ARENA-controlled legislature, and replaced it with one with broader political support. Coalitions and consensus also factored prominently in the unanimous election of five Supreme Court justices, including its president and the approval of

the 1998 budget. Unlike in past years, the approval of the budget came only after extensive debate and resulted in major changes to the president's budget proposal, including a 6% direct transfer to municipalities, an effort successfully advocated by the national mayors' association.

For USAID/El Salvador, 1997 was a watershed year in furthering sustainable development. Significant achievements were realized in virtually every sector in 1997, reflecting not just USAID's new initiatives of the past year or two, but also USAID's initiatives and leadership over the past decade and more.

The passage of the new criminal code, development of plans to roll out the previously approved criminal procedures, including an enhanced role for prosecutors and dramatic improvements in court efficiency will revolutionize El Salvador's judicial sector. A National Registrar was appointed to be in charge of developing a new civil registry and single citizen identity document that will aid in opening access to polling stations and streamline other governmental and commercial processes. Privatization of electrical distribution, telecommunications and the national pension system signal a major change in the role of the state in providing basic services. A new Ministry of the Environment was created, heightening attention to environmental issues and national policy. New life was breathed into health sector modernization and stronger ties built between the Ministry of Health and donor agencies. Non-governmental organizations (NGOs), many established since the civil war ended and many created with USAID support, played a vital role in all of these areas.

This past year was also a transition year for USAID/El Salvador. Refinements and adjustments were made to the mission's strategy, including the re-direction of the environment strategic objective (SO) to focus on water. USAID's highly successful efforts in support of El Salvador's war-to-peace transition came to a close. Old activities were re-aligned and new activities were designed to achieve the results of the new strategy.

In 1998 several factors outside the mission's control could impede program performance. The campaign for the presidential elections scheduled for March 1999 is intensifying and may slow policy reform efforts. A prolonged dry season and sporadic rains due to the *El Niño* climatic phenomenon could devastate the agricultural sector. The impact of the Asian financial crisis yet to be felt in Central America, and a slowdown in the growth of remittances may affect El Salvador's growth prospects in the coming year.

USAID/El Salvador, however, is optimistic that its newly realigned portfolio of activities will continue to gain momentum and will be aided by collaborative efforts with other development partners whose goals coincide with the mission's objectives. Among these joint efforts are USAID's active participation in task forces and working groups to revitalize the agrarian sector, coordinate efforts in criminal justice reform and support health sector modernization.

The mission's sense of optimism also reflects initial efforts by Salvadoran society to develop a progressive vision for the future. In January 1998, a presidentially appointed National

Development Commission composed of six prominent Salvadorans from various political viewpoints released their report, *Bases para el Plan de Nación*. Written as a proposal to the people of El Salvador, the report presents issues the country needs to address together and offers solutions to advance the nation economically, socially and politically. The themes in *Bases* resonate with the mission's perspectives and program strategy. Structural poverty and sociocultural marginalization are identified as the central challenges to El Salvador's future.

In last year's R4 the mission noted that El Salvador's future course was less clear than in prior years when the Peace Accords provided well-defined goals. It is too early to know whether *Bases* will provide that map or have a lasting impact on Salvador's development. Nevertheless, it is a welcome effort to galvanize Salvadoran society around a new vision of the country for the new millennium.

Global Climate Change

In October 1997, USAID designated Central America as a Global Climate Change (GCC) priority region. While the Regional Environmental Program represents the agency's primary vehicle to address GCC issues and opportunities in Central America, the mission in El Salvador has several activities which support GCC goals. The water SO includes activities to mitigate global climate change such as reforestation projects in key upper watersheds and industrial audits to promote energy efficiency and less pollution. In addition, USAID monitors the actions of the Enterprise of the Americas Initiative Fund (FIAES), which has reforested 4795 acres since 1995.

USAID/El Salvador co-sponsored a two-day seminar in September with the Ministry of Environment in support of the ministry's efforts to open a Joint Implementation Office in El Salvador. USAID also sponsored two ministry technicians to visit the Joint Implementation office in Costa Rica to learn about its operations. The Joint Implementation office in El Salvador (now called the Office of Clean Development since the conference in Kyoto) is in formation with two technicians finalizing a funding proposal for the World Bank through the Ministry of Agriculture.

No separate reporting of GCC related indicators is contemplated although the mission will coordinate with the Bureau for Latin America and the Caribbean (LAC) environmental officer as well as Global Bureau's Environment Center (G/ENV) to review how the current results can best be utilized or tailored to GCC reporting.

USAID/EL SALVADOR 1997 ACHIEVEMENT HIGHLIGHTS

Expanded Access and Economic Opportunity for Rural Families

- Third-grade language and math achievement test scores met or exceeded national and rural targets.
- Microfinance activities reached 32,662 active borrowers (68% women) and 25,093 (52% women) depositors.
- The number of depositors in USAID-supported credit unions more than doubled the target of 12,256; total savings in the credit union system increased by 48%.

More Inclusive and Effective Democratic Processes

- Legislature advanced modernization strategy with emphasis on increased citizen participation and consultation.
- New laws were enacted including a new criminal code, a sentencing law and a new law which establishes a fixed level (6%) of national transfers to the municipalities.
- The Public Defender's Office provided free legal counsel to more than 8,000 individuals -- a doubling of the services delivered in 1995.
- For the first time ever, the Supreme Electoral Tribunal worked with NGOs to increase voter registration. As a result, 300,000 additional people registered to vote.

Sustainable Improvements in Health of Women and Children

- Infant mortality continued to decline to 35 per 1000 live births.
- In 1997, 81% of the 262 municipalities, compared with 63% in 1996, reported DPT3 immunization coverage of over 90%.
- 24,500 additional rural residents gained access to potable water and 12,477 to sanitation facilities.

Increased Use of Environmentally Sound Practices in Fragile Areas

- More than 1,700 families in the demonstration area improved their pollution-prevention and conservation practices in the past two years.
- A new Ministry of Environment and Natural Resources was created in June 1997. The establishment of this ministry culminates six years of concerted assistance by USAID to strengthen environmental policies.
- Teachers in 300 model schools nationwide are using new environmental education materials and teacher guides. In public secondary schools, 87% of all students used their required social-service hours for environmental activities and 77% selected environmental issues for their required graduation seminar.

Assist El Salvador to Make the Transition from War to Peace

- The largest land transfer program in recent history was completed in 1997. In the 5 years of the life of the program, which ended in 1997, 36,059 eligible ex-combatants received title to land.
- 1,277 beneficiaries, living on 29 plots, received individual land titles.
- More than 6,000 people in ex-conflictive zones were trained in agriculture and small business development.
- Provided rehabilitation services for 1,247 war-wounded.

COMMON OBJECTIVES

**Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development,
United States Agency for International Development in El Salvador (USAID/El Salvador), and the Government of El Salvador (GOES)**

DAC GOALS	USG NATIONAL INTERESTS	SUMMIT OF THE AMERICAS	GOES TARGETS	USAID/EL SALVADOR TARGETS
- A reduction by one-half in the proportion of people living in extreme poverty by 2015.	II. ECONOMIC PROSPERITY 5. Increase global economic growth 6. Promote broad-based economic growth in developing and transitional economies	III. ERADICATING POVERTY AND DISCRIMINATION 19. Encourage microenterprises and small businesses	- Reduce the levels of extreme and relative poverty. - Reduce the percentage of households in poverty from 61% in 1994 to 49% by 1999. - Promote the development of the microenterprise sector.	SO1 EXPANDED ACCESS AND ECONOMIC OPPORTUNITIES FOR RURAL FAMILIES IN POVERTY - Increase the percentage of rural households that received requested credit from the formal financial system from 53.6% in 1995 to 69.2% by 2002.
- Universal primary education in all countries by 2015.		III. ERADICATING POVERTY AND DISCRIMINATION 16. Universal access to education	- Reduce illiteracy and achieve an overall and equitable coverage of quality educational services.	SO1 EXPANDED ACCESS AND ECONOMIC OPPORTUNITIES FOR RURAL FAMILIES IN POVERTY - Increase number of rural households with children aged 7-10 attending school from 79.4% in 1995 to 88.1% by 2002. - Increase percent of school children (male & female) completing 6th grade in six years from 50% in 1996 to 54% by 2002. - Increase literacy rate for children from 7-15 years of age (male & female) from 77.5% in 1995 to 82.5% by 2002
- Demonstrated progress toward gender equality and the empowerment of women by eliminating gender disparity in primary and secondary education by 2005.				
- A reduction by two-thirds in the mortality rates for infants and children under age 5 by 2015.	VII. GLOBAL ISSUES 16. Protect human health and reduce the spread of infectious diseases. 15. Stabilize World Population	III. ERADICATING POVERTY AND DISCRIMINATION 17. Equitable access to basic health services	- Improve the nutritional status of pregnant and lactating women. - Strengthen women's health specially those of reproductive age. - Reduce infant mortality and improve the nutritional status of children under five.	SO3 SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN - Reduce maternal mortality ratio from 158/100,000 live births in 1993 to 90/100,000 by 2003. - Reduce total fertility rate from 4.0 in 1993 to 3.1 by 2003. - Reduce infant mortality rate from 41/1000 live births in 1993 to 19/1000 by 2003. - Reduce child mortality rate from 12/1000 children in 1993 to 6/1000 by 2003
- A reduction by three-fourths in maternal mortality by 2015.				
- Access through the primary health-care system to reproductive health services for all individuals of appropriate ages as soon as possible and no later than year 2015.				

DAC GOALS	USG NATIONAL INTERESTS	SUMMIT OF THE AMERICAS	GOES TARGETS	USAID/EL SALVADOR TARGETS
- The current implementation of national strategies for sustainable development in all countries by 2005, so as to ensure that current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015.	VII. GLOBAL ISSUES 14. Secure a sustainable global environment in order to protect the US and its citizens from the effects of international environmental degradation	IV. GUARANTEEING SUSTAINABLE DEVELOPMENT AND CONSERVING OUR NATURAL ENVIRONMENT FOR FUTURE GENERATIONS 23. Partnership for pollution prevention	<ul style="list-style-type: none"> - Increase coverage of potable water in urban areas from 78% in 1993 to 88% by 1999, and in rural areas from 16% to 50%. - Provide potable water and sanitation services to communities without these services. - Improve the effectiveness in the provision of potable water and sanitation services. - Restore the primary water sources conditions and achieve a more effective and rational water use. - Contribute to the economic growth by satisfying the demand for water and sanitation services in the productive sector. 	SO4 INCREASED ACCESS BY RURAL HOUSEHOLDS TO CLEAN WATER <ul style="list-style-type: none"> - Increase the percentage of households in target areas with water that meets quality and time standards from 23% in 1992 to 75% by 2002. - Increase the percentage of households nationwide with water that meets quality and time standards from 33% in 1997 to 55% by 2002.
Qualitative Factors to Achieve the Goals				
- Capacity development for effective, democratic and accountable governance	V. DEMOCRACY 12. Increase foreign government adherence to democratic practices and respect for human rights.	I. PRESERVING AND STRENGTHENING THE COMMUNITY OF DEMOCRACIES OF THE AMERICAS 1. Strengthening democracy 3. Invigorating society and community participation 5. Combating corruption	<ul style="list-style-type: none"> - Increase and strengthen citizen participation. - Strengthen municipal governments (technical and administrative). - Increase the capability of municipal governments to implement their programs. - Increase effective and responsible use of public resources and funds. 	SO2 MORE INCLUSIVE AND EFFECTIVE DEMOCRATIC PROCESSES <ul style="list-style-type: none"> - Improved audit coverage and dissemination of audit findings to public. - More effective advocacy efforts by civil society. - More transparent participatory legislative process. - Municipal revenues increased by 25%/year in USAID target municipalities. - Expanded municipal service coverage and increased satisfaction with municipal services. - Improved and transparent stewardship of public finances.
<ul style="list-style-type: none"> - Protection of human rights. - Respect of the rule of law. 		I. PRESERVING AND STRENGTHENING THE COMMUNITY OF DEMOCRACIES OF THE AMERICAS 2. Promoting and protecting human rights	<ul style="list-style-type: none"> - Improve the judicial system and establish mechanisms for safeguarding human rights. - Guarantee equal rights before the law and the transparent defense of those rights. - Strengthen the rule of law and public security. 	<ul style="list-style-type: none"> - Citizen knowledge of law reforms and access to justice system increased. - More effective prosecutorial skills.

PART II

Progress Toward

Objectives and Status

of Management Contract

SUMMARY TABLE OF SO PERFORMANCE

Objective Name	Rating	Evaluation findings
SO 1: Expanded access and economic opportunity for rural families in poverty	Exceeded	Three final evaluations were completed during 1997. Evaluators of the small enterprise support activity said its approach is one of the most effective in providing training, credit and technical assistance services to small and micro-entrepreneurs living in poor areas of El Salvador. The non-traditional agricultural production and marketing activity increased employment, production, net earnings and area planted among the rural cooperatives and farmer organizations. The microenterprise development activity evaluation reported respondents to the 1997 Village Bank Survey had generally positive views about the program, and that members of the village banks believed that their living standards have been significantly improved by joining the banks and will continue to improve during 1998.
SO 2: More inclusive and effective democratic processes	Met	The democracy sector assessment of May 1997 concluded that much progress has been made in the passage of reforms in the justice sector, and that most of the political reforms agreed to under the Peace Accords, have been accomplished. An assessment of the Court of Accounts, conducted by the Regional Inspector General, will lead to certification of the Court of Accounts as a supreme audit institution. The United Nations' report on the El Salvador reconstruction and peace program cites substantial progress on judicial and demilitarization of society.
SO 3: Sustainable improvements in health of women and children	Met	An evaluation of an 18-NGO health network serving rural areas concluded that the performance of all the NGOs in the administrative, financial and technical areas is adequate. A needs assessment conducted in the course of the design of the new integrated child survival, reproductive health and health policy activity concluded that ongoing USAID assistance efforts in these areas were having a positive impact in improving health status and should be continued.
SO 4: Increase use of environmentally sound technologies and practices in selected fragile areas	Partially Met	A June 1997 mid-term evaluation of the environmental protection activity showed that progress towards achieving expected results has been mixed.
SSO: Assist El Salvador make the transition from war to peace	Exceeded	The final evaluation of a credit activity to promote sustainable agriculture in ex-conflictive areas demonstrated that the objectives of the activity were achieved and surpassed, and that a significant contribution was made to improve people's lives.
Percent funding through NGOs and PVOs: FY 1998 <u>39%</u> ; FY 1999 <u>42%</u> ; FY 2000 <u>39%</u>		

Broad-Based Economic Growth Achieved

Strategic Objective One: Expanded Access and Economic Opportunity for Rural Families in Poverty

"To achieve peace and progress in the country, it is imperative that we work to eliminate all the conditions that have led to social, political and economic exclusion."

Bases para el Plan de Nación, 1998

Performance Summary

The economic growth SO -- covering education, productive services, infrastructure, land and policy reform -- is successfully addressing the barriers to participation by the rural poor in El Salvador's growing economy. Performance across the board was strong and in some cases exceptional. The education reform promoted by USAID received international accolades and indicators of third grade achievement scores exceeded targets. Major policy initiatives to modernize the state were realized. The growth in depositors in USAID-supported financial institutions more than doubled the target and savings in the credit union system increased by 48%. The number of women receiving technology and marketing services out-stripped targets for the strategy period. This performance in 1997 continues a track record of impressive achievement, despite a fundamental shift in focus over the past two years from macro-economic policy to rural poverty. By the end of fiscal year (FY) 1998, the re-orientation of ongoing activities and the start-up of new ones to support the current strategy will be completed, thus setting the stage for continued high performance.

Relationship to U.S. National Interests

One of the U.S. Government's principal goals in El Salvador, as stated in the 1998 Mission Performance Plan (MPP), is to assist the country achieve sustainable economic development and raise incomes, especially among the rural poor. Attainment of this goal will help expand the Salvadoran market for U.S. goods and services, stem the flow of illegal migration to the United States and consolidate the country's democracy.

The MPP identifies USAID's economic growth SO as the primary mechanism for achieving this economic development goal. The SO aims to increase economic access and opportunity for rural households by expanding and improving the education system, strengthening the delivery of services to rural areas and advancing policy reform.

This SO also supports the U.S. goal to persuade the Salvadoran government to maintain momentum in its ambitious economic reform program. Working together with the economic section of the embassy, this SO aims to strengthen the country's financial sector and promote the deregulation of the power and telecommunications sector.

Performance Analysis

USAID's economic growth strategic objective showed positive progress across the board. To measure overall progress, USAID tracks several indicators which attempt to quantify rural poor households' access to infrastructure and services that serve to raise incomes or improve standards of living. The proportion of the rural population with access to potable water rose by nearly five percentage points, and rural household success in gaining access to credit from the formal system exceeded the target. These indicators are derived from the Multipurpose Household Survey.

The household survey, however, shows that in 1997 access to schooling declined, falling just slightly short of target. The result seems inexplicable given Ministry of Education statistics which show expanded enrollment in rural areas. The discrepancy may be due to problems in administration of the 1997 survey. USAID and the Inter-American Development Bank (IDB) are pressing the government to take its survey more seriously given its importance to national development efforts. USAID is financing a periodic rural poverty survey through a local think tank to provide supplementary evidence on rural conditions. The second biennial survey took place in February of 1998.

Better Educated and Trained Rural Residents

Economic studies show that one of the principal reasons that the rural poor do not share the benefits of growth is low educational attainment. For this reason, basic education is one of the cornerstones of the economic growth SO. Performance data for this intermediate result show that third grade language and math achievement test scores met or exceeded national and rural targets. When disaggregated by gender, only rural girls' language achievement scores fell short of the aggregated target. The other indicators for this intermediate result: children completing sixth grade in six years and the child literacy rate, exceeded national and rural targets. At the national and rural levels, however, boys did not meet gender-aggregated

targets for completing six grades in six years.

Results of the educational reform in El Salvador continue to be one of the country's shining successes. The ministry has shown its commitment to testing schoolchildren and evaluating results. Decentralization has continued to progress, with authority over budget and teacher hiring decisions now delegated to local school committees which include representation by parents, students and school administrators. Last year, the reform process received international recognition, when the World Bank presented the Minister of Education with its International Award of Excellence.

USAID and its Strengthening Achievement in Basic Education (SABE) project have been an important partner and contributor to these successes. Rural schoolchildren are especially benefiting from trained teachers, improved curriculum and new textbooks. Overall, the SABE project has touched the lives of 1.5 million Salvadoran students, 10,000 administrators and 35,000 teachers since its inception in 1991. It has provided 3.6 million language and math textbooks for students K-6th grade and its interactive radio math courses have been broadcasted to 1.2 million students in all 14 departments. Through SABE, USAID has delivered 230,000 books to 2,300 libraries and helped equip 254 model training schools to decentralize training services. Additionally, 700 former ex-combatants, known as maestros populares, received their high school diplomas in 1997 and 125 of them have enrolled in university-level studies.

Improved Use of Land

Since the mid-seventies, USAID has played a major role in land redistribution and transfer. Under the Peace Accords-mandated Land Transfer Program, 35,059 ex-combatants and civilians became titled landowners. At the request of the government of El Salvador (GOES) and land transfer program recipients, USAID signed agreements in mid-1997 with the GOES, CARE and three FMLN NGOs to sub-divide properties held in common title and provide individual titles. This activity builds on a pilot activity initiated under the mission's special objective that, by the end of January 1998, had provided more than 1,200 beneficiaries on 29 properties with individual title.

The land parceling process exemplifies the new participatory approach which increasingly prevails in El Salvador. Working side by side, GOES officials and the NGOs have consulted with entire communities to seek their input and together determine how best to sub-divide the land taking into consideration increased land productivity and improved land use for community activities.

A complementary \$60 million World Bank activity now underway will modernize the land registry, and provide secure legal title for all private landholdings in the country. The

development of a modern land registry will, in turn, improve the functioning of land markets.

Expanded Access to Financial, Technological and Marketing Services by the Rural Poor

Financial Services

The World Bank rural poverty study showed that El Salvador's rural population has less access to credit than their counterparts in other Latin American countries. USAID's microfinance activities are making important gains in bridging this gap. USAID's activities designed to promote expansion of financial services to rural clients were affected by several factors over the past year. Slower than expected economic growth dampened credit demand and repayment rates by small-scale borrowers, a factor reported by several USAID partners. In addition, the government of El Salvador announced its intentions to reform all financial sector and banking laws in the wake of a bank failure scandal in July 1997. Efforts by NGOs to formalize credit operations have been stopped in their tracks until the implications of the new legal framework are better understood. USAID is coordinating policy dialogue efforts with the World Bank and IDB on the new laws.

Notwithstanding these factors, of the 35,253 target for active borrowers, USAID activities produced a total of 32,662 (68% women). This lower figure mostly reflects a revised workplan for implementing the Microenterprise 2000 financial institution, which will now absorb only the portions of the credit portfolios from participating NGOs that are of acceptable quality. At the time the indicator was elaborated, the studies which measured the portfolio quality had not been completed, and USAID and its partner Catholic Relief Service (CRS), overestimated the number of clients who would be absorbed into the new institution. Under the revised model, by December 1997 a total of 684 clients had been absorbed into the entity to become the new financial institution.

The growth in depositors in USAID activities was phenomenal: the performance measure of 25,093 (52% women) was more than double the target of 12,256. Moreover, the total amount of savings in the credit union system grew 48% during 1997. In addition, USAID and its partners are now engaged in an effort to conduct a clean-up exercise to remove inactive accounts which are on the books of partner institutions.

Finally, during the past fiscal year, two USAID-funded NGOs, PROPEMI (Promotion for Small and Micro Enterprises) and FINCA/CAM (Foundation for International Community Assistance/ Center of Support for Microenterprises) wrapped up their USAID-financed activities. PROPEMI's microenterprise development focus is now fully self-sustaining. A recent evaluation showed FINCA/CAM's village banking efforts had been successful in reaching the very poor, and are likely to achieve financial sustainability within a few months.

Technological and Marketing Services

To raise their incomes, rural producers must have access to new technologies and markets. The SO target for reaching male and female entrepreneurs with management training, agricultural technical assistance, input supply, processing and/or produce marketing services, through local organizations, was fully reached. Over 6,000 male and almost 4,000 female new clients were reached in 1997. Progress in reaching female entrepreneurs far exceeded the target, with 11,826 women benefiting from USAID activities. This result, is more than double the 1997 target of 5,100 women.

Better Rural Productive Infrastructure

USAID's customers in rural areas identify infrastructure as their most important need. Infrastructure activities formerly carried out under the mission's special objective were incorporated into the economic growth SO portfolio in October of 1997, and are now co-managed with the agriculture portfolio. Recent progress in this area includes the completion of the construction of the Masahuat Bridge in Santa Ana. The project leveraged an additional investment by the Ministry of Public Works to repair the nearby access road and decreased travel time to markets by three hours during the rainy season. Approximately 15,000 rural families benefited from the bridge and road, by giving them more direct access to markets and services.

Economic Policy Environment Supporting Greater Equity

El Salvador's economic policy reform record over the past year continues to be impressive. The economic growth SO tracks its policy agenda related to the modernization of the state program through an index that includes a menu of key reforms. The indicator may be interpreted as a measure of the percentage of the agenda that is successfully completed.

The Salvadoran government maintained its momentum in implementing the reforms. The two key deregulation efforts in power and in telecommunications were completed. In early 1998, the government of El Salvador privatized all four state-owned power distribution companies. Privatization of the national pension system is now underway. The agricultural school was finally privatized, through the granting of a management concession to a local foundation. As of March 1998, the chief area not fully met was privatization of the national telephone company which was delayed due to actions by the assembly to review the privatization

process. Sale of the telephone company is now on track for early summer 1998, thanks in part to the mission's and Global Bureau's quick response to a request for technical assistance from the Legislative Assembly. The index indicator reflects that fully 90% of the SO's policy reform agenda for the year was implemented.

The second indicator measures the percentage of the national infrastructure budget directed to the four poorest Salvadoran departments (Morazan, La Unión, Cabañas and Chalatenango). The purpose of the indicator is to detect greater public sector support for poor, predominantly rural areas of the country. In 1997, the Salvadoran government directed 3.2% of its investment budget toward the four poorest departments, a vast improvement over the 2.5% realized in 1996, but just short of the target of 3.4%.

The decision of the Legislative Assembly to significantly expand fixed transfers to local government beginning in 1998, to 6% of the total budget, is expected to have a positive impact on rural infrastructure investment. The formula for distributing the funds gives a larger proportion to poorer and more rural municipalities. With this change in policy, the USAID indicator may no longer capture the magnitude of infrastructure investment in the poorest departments. USAID will monitor the experience with transfers and propose adjustments to the indicator, if needed.

Expected Progress through FY 2000 and Management Actions

One factor that will influence the direction of the economic growth SO activities, particularly in policy, is the upcoming presidential election campaign. USAID had its first taste of a changing political environment after the March 1997 legislative and mayoral elections. The ending of ARENA's effective legislative control has resulted in a healthier but more complex environment where policy and legislative changes must be negotiated among the parties. For example, the government's 1998 budget is the first where the assembly had major input in discussing and revising the executive branch proposal.

The facts of the new, more politically balanced assembly and the upcoming presidential elections both complicate and enrich political life in El Salvador. Public dialogue will intensify over the coming months, opening political debate on issues of importance to rural poverty reduction. USAID will seek to inform this debate. Unfortunately, declining resource levels for economic growth will impair the mission's ability to be responsive to this growing public debate and discussion.

On the management side, during FY 1998 the economic growth SO will complete designs and begin implementation of new activities in agriculture, economic policy and early childhood education. New activities in microfinance and human capacity development obligated in late FY 1997 will begin implementation. New procedures for the small, community-based infrastructure activity have been adopted to better meet rural customer needs and enhance

synergy with other USAID-funded programs. With these actions, the economic growth SO completed all of its work to adjust the portfolio (formerly oriented toward macroeconomic stability, export development and investment promotion, areas still important, but now sustainable without further USAID support) to the current strategy which responds more directly to the urgency of raising living standards in El Salvador's rural areas.

Progress toward targets will gain steam now that the redirected economic growth SO portfolio is set into place. In some areas, the targets established prior to design work may be refined once designs are fully elaborated. Expected performance is detailed in the attached indicator tables.

The Faces of Development

Salvadoran Children and their Healthy Kitchens

In the town of Sociedad, in the northeast department of Morazan, the morning ritual begins as soon as the sun rises. Like clockwork, a group of women march down the middle of the main road and head straight for their one and only elementary school.

Clad in their new marine blue uniforms and chef hats the 21 women are part of a USAID-funded program called Healthy Kitchens, a component of a larger activity named Healthy Schools (Escuelas Saludables). In its ambitious educational reform -- which USAID has supported from the beginning -- the Ministry of Education has launched a multifaceted campaign to ensure the well-being of Salvadoran children, especially those living in rural areas.

The Healthy Kitchens training program lasted one week, but for women like Dolores Acosta, it was the experience of a lifetime. "This is the first time," she says, as she chops some carrots and onions, "that someone thinks we can do something worthwhile, that our help is needed."

Acosta, 34, is a mother of four elementary-school age children attending the Dr. Ramon Rosa School, where the Healthy Kitchens training is held. She is part of a network of 4,800 mothers who received the training in 452 schools across El Salvador. Most of these schools are located in hard to reach places. After the week's training, Acosta and the other women will be responsible for the preparation of healthy mid-morning snacks for more than 260,000 children attending Healthy Schools throughout the country.

With USAID funding, the Ministry of Education's internationally recognized reform seeks to improve the physical, mental and moral education of Salvadoran children. More than 260,000 girls and boys between the ages of 5-12 study today in Healthy Schools, the only program of its kind in the Western Hemisphere. Working with the Ministry of Health, students are not only enjoying more nutritious snacks, but are also vaccinated, given vitamins, dental and eye care, and "even a haircut," according to Bessie de Castillo, the director of the Healthy Schools program at the ministry.

"The most important part of the Healthy School program," says Castillo, "is that we are keeping kids in school. The parents are very involved in the activities. The classrooms are cheerier than they were in the past. The teachers are better trained and kids sense the entire community cares for them."

PERFORMANCE DATA TABLES

EXPANDED ACCESS AND ECONOMIC OPPORTUNITY FOR RURAL FAMILIES IN POVERTY

SO APPROVED JUNE 7, 1996

SO LEVEL RESULTS:

INDICATOR No. 1: Rural population with access to potable water			
UNIT OF MEASURE: Percent of households	YEAR	PLANNED	ACTUAL
SOURCE: Multipurpose Household Surveys INDICATOR DESCRIPTION: Ratio of rural households with access to water to total rural households. COMMENTS: Is the percentage of the population with reasonable access to water, including water-main, wells or public fountains. This indicator is a proxy measuring increased availability of basic infrastructure in rural areas. * Preliminary data.	1995 (B)		58.4
	1996	60.2	62.2
	1997	62.6	67.5*
	1998	65.1	
	1999	67.7	
	2000	70.4	
	2001	73.2	
	2002 (T)	76.1	

INDICATOR No. 2: Rural population with children aged 7-10 attending school.			
UNIT OF MEASURE: Percent of households	YEAR	PLANNED	ACTUAL
SOURCE: Multipurpose Household Surveys	1995 (B)		79.4
INDICATOR DESCRIPTION: Ratio of rural households with children 7-10 attending school to the total number of rural households with children aged 7-10 years of age. COMMENTS: This indicator is a proxy measuring improvement in access to public sector services in rural areas. * Preliminary data.	1996	80.6	83.3
	1997	81.8	81.5*
	1998	83.0	
	1999	84.3	
	2000	85.5	
	2001	86.8	
	2002 (T)	88.1	

INDICATOR No. 3: Rural active borrowers with access to the formal financial system.			
UNIT OF MEASURE: Percent of Households	YEAR	PLANNED	ACTUAL
SOURCE: Multipurpose Household Surveys	1995 (B)		53.6
INDICATOR DESCRIPTION: The numerator is the number of households that received credit from the formal sector; the denominator is the number of households that requested credit for their economic activities. COMMENTS: Active borrowers are defined as those seeking credit for their economic activities in any sector, be it agricultural, manufacturing or services. * Real GDP growth in 1996 was less than half of the growth registered in 1995 affecting overall economic activity including rural active borrowers. ** Preliminary data.	1996*	51.9	52.0
	1997	54.5	55.3**
	1998	57.1	
	1999	59.9	
	2000	62.9	
	2001	65.9	
	2002 (T)	69.2	

INTERMEDIATE RESULTS:

RESULT NAME: Better Educated/Trained Rural Residents									
INDICATOR No. 1: Annual achievement test scores in 3rd grade LANGUAGE									
UNIT: test score Expressed as: number from 0 to 9 SOURCE: Ministry of Education INDICATOR DESCRIPTION: The average mastery from 0 (low) to 9 (high) of critical LANGUAGE skills taught in 3rd grade. COMMENTS:	YEAR	PLANNED		ACTUAL					
		RURAL TOTAL	NATL TOTAL	male	female	TOTAL	male	female	TOTAL
	1995 (B)	—	—	2.0	1.7	1.9	2.1	1.9	2.0
	1996	2.0	2.1	1.7	1.7	1.7	1.8	2.0	1.9
	1997	2.2	2.3	2.3	2.1	2.2	2.5	3.0	2.8
	1998	2.4	2.5						
	1999	2.6	2.7						
	2000 (T)	2.8	2.9						

RESULT NAME: Better Educated/Trained Rural Residents									
INDICATOR No. 2 : Annual achievement test scores in 3rd grade MATHEMATICS									
UNIT: test score Expressed as: number from 0 to 9 SOURCE: Ministry of Education INDICATOR DESCRIPTION: The average mastery from 0 (low) to 9 (high) of critical MATHEMATICS skills taught in 3rd grade. COMMENTS:	YEAR	PLANNED		ACTUAL					
		RURAL TOTAL	NATL TOTAL	male	female	TOTAL	male	female	TOTAL
	1995 (B)	—	—	3.6	3.4	3.5	3.9	3.5	3.7
	1996	3.7	4.0	4.0	3.7	3.8	4.2	3.8	4.0
	1997	3.9	4.2	5.3	4.1	4.7	5.4	4.7	5.0
	1998	4.1	4.4						
	1999	4.3	4.6						

	2000 (T)	4.5	4.8						
--	-------------	-----	-----	--	--	--	--	--	--

RESULT NAME: Better Educated/Trained Rural Residents									
INDICATOR No. 3 : Percent of school children completing 6th grade in six years.									
UNIT: Percent of school children SOURCE: Ministry of Education INDICATOR DESCRIPTION: Percentage of school children completing sixth grade in only six years. COMMENTS: This is a proxy measure in which students currently in 6th grade aged 12 years or younger are considered to have completed 6th grade in six years.	YEAR	PLANNED		ACTUAL					
		RURAL TOTAL	NATL TOTAL	male	RURAL female	TOTAL	male	NATL female	TOTAL
	1996 (B)	—	—	35	42	38	47	53	50
	1997	39	51	36	42	39	50	52	51
	1998	40	52						
	1999	41	53						
	2000 (T)	42	54						

RESULT NAME: Better Educated/Trained Rural Residents									
INDICATOR No. 4: Literacy rate for children from 7 to 15 years of age									
UNIT: Percent of children SOURCE: Multiple Purpose Household Survey INDICATOR DESCRIPTION: The <u>numerator</u> is the number of literate children in the target age group, the <u>denominator</u> is the total target age group population. COMMENTS: * Preliminary data.	YEAR	PLANNED		ACTUAL					
		RURAL TOTAL	NATL TOTAL	male	RURAL female	TOTAL	male	NATL female	TOTAL
	1995 (B)	—	—	66.5	68.6	67.5	76.3	78.8	77.5
	1996	68.5	78.5	70.7	72.8	71.8	79.2	80.7	79.9
	1997*	69.5	79.5	70.7	73.1	71.9	79.8	82.0	80.9
	1998	70.5	80.5						
	1999	71.5	81.5						
	2000 (T)	72.5	82.5						

RESULT NAME: Improved Use of Land			
INDICATOR No. 1: Land Parcelization activity clients with land in production			
UNIT OF MEASURE: Percentage increase in area SOURCE: Survey by CARE and/or USAID will contract for independent survey in case needed. INDICATOR DESCRIPTION: Measures annual increases in land under cultivation with annual crops, permanent crops, and/or pastures, as well as land used for agro-industrial purposes. COMMENTS: The baseline for area under productive use of a sample of clients will be conducted during the first year of the activity. Proposed targets assume availability of credit and a positive markets structure for grains. The baseline survey will be conducted in August 1998.	YEAR-CY	PLANNED	ACTUAL
	1998 (B) 5/98-4/99	TBD	TBD
	1999 5/99-4/2000	3% increase above baseline	
	2000 5/2000-4/2001	5% increase above baseline for second year of cultivation.	

RESULT NAME: Improved Use of Land			
INDICATOR No. 2: Clients of Land Parcelization receiving individual and/or mixed parcels.			
UNIT OF MEASURE: Number of persons receiving individual and/or mixed registered titles. SOURCE: Data from Instituto Libertad y Progreso, local NGO's and National Center for Registry. INDICATOR DESCRIPTION: Measures number of clients who have received individual and/or mixed legal registered titles. COMMENTS: The universe of land reform clients who have received group titles to land and are eligible under the Land Parcelization activity is approximately 36,000. Of this, USAID only has sufficient funding to assist 19,000 customers.	YEAR-FY	PLANNED	ACTUAL
	1998	3,600	
	1999	7,500	
	2000	7,900	

RESULT NAME: Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor			
INDICATOR No. 1: Active borrowers			
UNIT OF MEASURE: Number of people; cumulative SOURCE: Credit Unions (ACACYPAC, ACACESPSA, ACAYCCOMAC, ACACSEMERSA, COOP-UNO, ACODJAR, ACACU, ACOCOMEMET, SIHUACOOOP, ACCOVI, ACOPACTO, ACACME AND ACECENTA), Centro de Apoyo a la Microempresa (CAM), Catholic Relief Services (CRS) and new activity. INDICATOR DESCRIPTION: Individuals with an outstanding loan with one of the aforementioned financial institutions. COMMENTS: Active borrowers from rural areas will be reported. Rural is considered all the country with the exception of the San Salvador metropolitan area. (It includes the following municipalities: San Salvador, Apopa, Nejapa, San Martín, Mejicanos, San Marcos, Ayutuxtepeque, Cuscatancingo, Ciudad Delgado, Ilopango, Soyapango, Antigua Cuscatlán, Nueva San Salvador and Antigua Cuscatlán). * Baseline for Microenterprise 2000 is June 1996 and for the CAM is September 1996. ** These figures may change after the credit unions complete the write off exercises and after partner institutions receive technical assistance to improve results measurement. *** This number includes projections for the new Rural Financial Markets Activity originally scheduled to start implementation in February 1998. Due to start-up delays the possible starting date is September 1998. Once grants to microlending institutions are approved in April 1999, it will be possible to make better estimates on expected results. Therefore an adjustment on planned figures is anticipated.	YEAR	PLANNED	ACTUAL
	6/96* (B)		24,936
	1997	35,253	32,662**
	1998***	43,743	
	1999	54,879	
	2000	67,852	
	2001	69,919	
	2002 (T)	71,985	

RESULT NAME: Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor			
INDICATOR No. 2: Depositors			
UNIT OF MEASURE: Number of people; cumulative	YEAR	PLANNED	ACTUAL
SOURCE: Credit Unions and CRS	6/96 (B)		8,910
INDICATOR DESCRIPTION: Indicator represents number of depositors in authorized financial institutions. Savings in NGOs not being supervised by the Bank Superintendency are not reported. COMMENTS: * This number may change after the credit unions are able to carry out a clean-up exercise of their savings accounts. ** Planned figures may be adjusted by April 1999 after grants to microlending institutions under the new Rural Financial Markets Activity are approved.	1997	12,526	25,093*
	1998	15,810	
	1999	26,294	
	2000 **	33,636	
	2001	33,636	
	2002 (T)	33,636	

RESULT NAME: Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor.			
INDICATOR No. 3: Number of loans of \$300.00 or less			
UNIT OF MEASURE: Number of loans	YEAR	PLANNED(*)	ACTUAL
SOURCE: Credit Unions, CAM, CRS and New Activity	12/97 (B)		15,002
INDICATOR DESCRIPTION:	1998	21,871	
	1999	27,439	
	2000	33,926	
	2001	34,959	
COMMENTS: This indicator will help the mission ensure microenterprise activities are reaching the poor. It will also provide information on poverty lending to meet USAID/W reporting requirements.	2002(T)	35,993	
* Planned figures may be adjusted by April 1999 after grants to microlending institutions under the new Rural Financial Markets Activity are approved.			

RESULT NAME: Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor					
INDICATOR No. 4: Number of male (m) and female (f) customers receiving services (i.e., management, agricultural technical assistance, bulk input supply, processing, or produce marketing).					
UNIT OF MEASURE: Number of people SOURCE: Cooperative League of the USA, Technoserve, PROCAFE, Chemonics INDICATOR DESCRIPTION: COMMENTS: This indicator will measure how access to services by rural inhabitants is being increased. Note: Baseline and intermediate targets are cumulative figures and are estimated by the end of each fiscal year.	YEAR	PLANNED		ACTUAL	
		M	F	M	F
	1996 (B)			28,594	7,856
	1997	34,000	5,100	34,886	11,826
	1998	39,000	5,500		
	1999	45,000	6,500		
	2000	55,000	7,500		
	2001	65,000	8,500		
	2002 (T)	70,000	10,000		

RESULT NAME: Economic Policy Environment Supporting Greater Equity: Modernization of the State Leads to Economic Growth and Better Rural Services.

INDICATOR No. 1: GOES investment budget allocated for poorest departments: Morazán, Cabañas, La Unión and Chalatenango

UNIT OF MEASURE: Percentage

SOURCE: "Inversión Pública no Financiera 1996-1997 por Departamentos," Ministry of Finance, 1997

INDICATOR DESCRIPTION:

COMMENTS: Inadequate statistical coverage of state and local governments requires the use of central government data. This may understate or distort the allocation of resources for various purposes.

The poorest departments were determined based on per capita income and on Human Development Index (HDI) level. See "Informe sobre Indices de Desarrollo Humano en El Salvador," GOES, UNDP

* The 1997 investment budget for the poorest departments: Morazán, Cabañas, La Unión and Chalatenango:

Actual, December 1997
(colones)

Morazán	12.89 million
Cabañas	11.38 million
La Unión	31.25 million
Chalatenango	<u>60.01 million</u>
TOTAL FOR POOREST DEPARTMENTS	115.52 million

PERCENTAGE OF TOTAL	3.2%
----------------------------	-------------

TOTAL INVESTMENT BUDGET	3,636.6 million
--------------------------------	------------------------

YEAR	PLANNE D	ACTUAL
1995 (B)		2.8
1996	3.1	2.5
1997	3.4	3.2*
1998	4.1	
1999	4.5	
2000	4.9	
2001	5.5	
2002 (T)	6.0	

RESULT NAME: Economic Policy Environment Supporting Greater Equity: Modernization of the State Leads to Economic Growth and Better Rural Services			
INDICATOR No. 2: Modernization of the State Index			
UNIT OF MEASURE: Percentage of reforms achieved SOURCE: <i>Programa Monetario y Financiero, Banco Central de Reserva de El Salvador</i> ; Official Gazette, International Monetary Fund/El Salvador reports; World Bank/El Salvador reports; Newspapers and information provided by the Ministries of Finance and Economy; Financial Systems Superintendency and Pensions Superintendency. INDICATOR DESCRIPTION: This is an index based on eight weighted indicators. The weights were given taking into account the number of instruments and resources available to influence the different indicators. COMMENTS: The mission's Matrix of Modernization of the State includes the following components: 1) Privatization, which includes power and telecommunications sectors and agricultural institutions; 2) Privatization of infrastructure construction and maintenance services ; 3) Modernization of the public financial sector system; 4) Pension reform; 5) Fiscal deficit/surplus as percentage of GDP; 6) Social expenditures as percentage of budget; 7) Reform of key fiscal and monetary institutions such as the Financial System Superintendency, Central Reserve Bank and the Ministry of Finance; 8) Neutral incentives to trade sector. * In 1997, 21% of the modernization index was expected to be accomplished. In fact, 90% of that target was achieved, namely 18.9% of the modernization index.	YEAR	PLANNED	ACTUAL
	1996(B)	10%	10%
	1997	21%	18.9% *
	1998	34%	
	1999	48%	
	2000	54%	
	2001	72%	
	2002 (T)	85%	

Sustainable Democracies Built

Strategic Objective Two: More Inclusive and Effective Democratic Processes

"The development of our democracy demands not only the perfecting of the electoral system, but also the search for mechanisms to stimulate citizen participation."

"The judicial system must become a pillar of the legal and material security of all Salvadorans. . . Efforts to ensure that the country has an accessible, efficient and effective administration of justice need to be redoubled."

"Transparency must be the common denominator for institutional reform and must be oriented towards the prevention of corruption in all of its forms."

Bases para el Plan de Nación, 1998

Performance Summary

As a result of the March openly contested, free and fair elections, and considerable progress in strengthening the rule of law, El Salvador moved for the first time from "partly free" into the ranks of the "free" countries listed in the 1998 Freedom House Annual Survey of Political Rights and Civil Liberties. USAID's performance towards achieving results under its democracy strategic objective kept pace with the targets established for the reporting period. Despite a lower than anticipated voter turn-out, elections were free, fair and accepted by all parties. Successful political action by a broad-cross section of mayors from all political parties resulted in a legislative initiative to increase the amount of funds provided to municipalities from the national budget through fixed transfers. Local governments that work with USAID have begun to improve their administrative capacity and to open up local government through more participatory processes. In the area of rule of law, the third -- and final -- major piece of criminal justice reform was passed; case processing time decreased and conviction rates increased.

Relationship to U.S. National Interests

The U.S. government has a strong national interest in consolidating El Salvador's democratic institutions and practices and promoting increased respect for human rights. Assisting Salvadorans to consolidate their nascent democratic institutions and strengthen their economy will deter illegal immigration to the United States. Support for judicial reform also promotes the U.S. interest in law enforcement.

Through close coordination with other embassy sections, the democracy SO works with all other agencies at post to achieve this goal. USAID's contribution is primarily in the areas of political and administrative decentralization, judicial reform, broad political participation and transparency, electoral reform and human rights.

Performance Analysis

The democracy SO's performance kept pace with targets established for the first year of the five-year strategy period. To measure overall progress of the strategic objective, USAID tracks the implementation of reforms designed not only to improve electoral processes and the government's accountability to its citizens, but also to ensure due process and respect for the rule of law and decentralize decision-making authority. The March municipal and legislative elections were the year's highlight. They were judged fair and free by international observers and the results were accepted by all, including the ruling party, ARENA, which lost -- for the first time -- a considerable number of seats in the Legislative Assembly and mayorships.

As a result of the ensuing realignment of power, reform efforts slowed in the first half of 1997. The pace of reform, however, accelerated by mid-year and the Legislative Assembly enacted a number of key laws including a new criminal code, a sentencing law and a law establishing a fixed level (6% of the budget) of national transfers to the municipalities. The assembly also approved the 1998 budget appropriating more than \$12 million in additional funding for the offices of the attorney general, the public defender and the human rights ombudsperson to implement the new criminal legislation. In addition, USAID provided technical assistance to pace-setting entities, including the national association of mayors, leading NGOs, the legislature and the justice sector to analyze the legal reform proposals and develop plans for implementing them.

Debate continued throughout 1997 on the subject of electoral reform. The United Nations sent, once more, election expert Horacio Boneo who succeeded in brokering political consensus on a timetable for the development of the Civil Registry, a key electoral reform component. The U.N. Development Program (UNDP) and USAID are co-funding assistance to the Civil Registry to develop a detailed workplan that will facilitate the issuance of new single identification cards. In another related development, a proposal was launched to switch

voting practices from the current and inefficient method of assigning polling stations to voting by neighborhoods.

Government accountability improved as result of an almost fourfold increase in the number of audits and special financial reviews conducted (from 75 in 1995 to over 286 in 1997) by the USAID-assisted Court of Accounts. In addition, a group of key Salvadoran public officials launched a campaign to speed up ratification of the Inter-American Convention Against Corruption and to establish laws to improve procurement and contracting integrity. Other transparency and accountability initiatives are under discussion as a result of a recent anti-corruption conferences.

USAID tracks attitudinal and behavior changes indicative of a stronger democratic culture, such as individual and civil society participation in key democratic processes (i.e., elections and legislative advocacy) and the openness and responsiveness of public servants to citizen needs. Progress towards increased citizen participation is mixed. Anecdotal evidence, as supported by the results of a September 1997 public opinion poll, reflects a continuing low level of participation by citizens in the public policy-making process. For example, fewer than 2% of Salvadoran citizens report having any contact with their legislative representative or involvement in an organized effort to influence the legislative process. There are, however, other indicators measuring citizen participation (as described in the indicator tables) that show positive signs of a more assertive civil society. The media have assumed an increasingly important role in expanding Salvadorans' horizons. The leading newspapers and television networks are not only conducting in-depth investigative reporting on government institutions and personalities. The two main dailies have also subscribed to Spanish-language supplements of leading U.S. news publications to keep the public better informed. They have also conducted noteworthy civic and democratic education campaigns and provided an unprecedented forum to air the sentiments of the citizenry through expanded op-ed pages and letters to the editor.

Increased Participation in Strengthened Local Governments

USAID believes that the best classroom for democracy at the local level is the municipality. Improved administration of municipal services encourages greater public confidence and increases community participation in local governments. Toward this goal, USAID assists 18 municipalities to develop and implement sound budgetary and administrative practices and to use more participatory approaches to planning, budgeting and economic development. As a result, in seven of the 18 municipalities, locally generated revenues increased between 30% and 85% in a three-year period (between 1994 and 1997). Seven other municipalities reported a revenue increase between 5% and 45% during the first year of technical assistance alone. In all 18 municipalities, mayors have held, or scheduled, at least one public forum to present and discuss the 1998 municipal budget and are consulting on a more regular basis with citizens.

To improve local services, USAID and seven municipalities negotiated with the national water authority to establish private or joint public-private water utilities. Working with the mission's new water SO, the IDB and USAID are jointly funding construction of the water systems, which will bring a safe, reliable source of water to over 42,000 residents. These programs are serving as models for the design of an IDB loan to restructure the water sector and decentralize management of water delivery systems. In two of the larger municipalities where USAID works, designs were completed during 1997 for sanitary landfills which will provide for more appropriate waste disposal, reducing contamination of the water supply and damage to the environment.

The increasingly powerful national association of mayors, COMURES, achieved its first major policy success in 1997, mobilizing a broad-based coalition of mayors to lobby for the passage of a law granting a fixed 6% level of transfers to the municipalities. Bolstered by this success, COMURES has moved on to other items on its policy reform agenda, such as broadening local taxing authority, and strengthening citizen participation and relations with the private sector.

More Effective Legal and Judicial Protection for All Citizens

The historic legacy of lack of protection of human rights and due process is changing in El Salvador. USAID was the catalyst in ensuring passage of important reforms to the criminal justice sector. These reforms which go into effect April 20, 1998 include new criminal procedures and sentencing codes. They provide for oral adversarial procedures, respect for due process, accelerated case processing and allow for mediation and alternatives to pre-trial detention. Culminating years of legal reform and institutional strengthening efforts, a new rule of law activity supports the Salvadoran government's efforts to implement its justice sector modernization program. Working through an extensive NGO network, USAID increased *access* to legal services by training last year 4,500 community, municipal and NGO leaders on citizen rights and institutional responsibilities described in the new criminal legislation. The Public Defender's Office provided free legal counsel to more than 8,000 individuals in 1997 -- doubling the services delivered in 1995, with constant staffing levels.

The *effectiveness* of the judicial sector was apparent with the acceleration of case processing and resolution time. In juvenile courts, the second jurisdiction affected by legal reforms supported by USAID, average case processing time is now three months, compared with 16 months in criminal trial courts dealing with adult offenders. Previously, juvenile and adult cases were tried in the same court system. Additionally, in 54% of the cases filed in juvenile courts, an individual is identified and sentenced, as compared to 6% of cases in adult criminal courts. With USAID's technical support, the court's case purging center brought another 19,000 backlogged cases to closure, bringing the total of backlogged cases closed to more than 70,000 since 1993.

A number of notable developments increased citizen confidence in the judicial system of El

Salvador. Among these are the 1997 Supreme Court decision to overturn provisions of the temporary emergency law, the reinstatement of public officials wrongfully dismissed from key government positions and the arrest of influential public and private leaders under investigation for serious crimes. A national survey conducted in May 1997 shows nearly half of the citizens interviewed said they were confident of receiving a fair trial if involved in a court case. This compares with a 30% confidence rating in a 1995 survey, and is an encouraging sign of the impact of constitutional reforms on judicial independence and a functioning system of checks and balances between branches of government -- important steps in consolidating democracy. Further improvements in citizen confidence and trust in the judicial system depends on continued improvements in *accountability*.

A More Politically Active Civil Society

USAID believes that the existence of a more politically active civil society depends not only on an educated and well-informed citizenry, but also on how free the people feel to form alliances and associations and to exercise their right to influence decision-makers through advocacy. For the first time -- and as a result of USAID, UNDP and other donors' efforts - the Supreme Electoral Tribunal agreed to work hand-in-hand with NGOs on voter registration drives and on voter education activities. As a result, more than 300,000 additional people registered to vote and the percentage of registered voters with voter identification cards increased to 89%. A local NGO grouping, the Consortium of Civic Education NGOs, fielded a domestic electoral observation mission and issued the first comprehensive report on the electoral process prepared by an NGO. Despite lower than anticipated levels of voter participation (39% of registered voters), the electoral results were widely accepted.

Within weeks after installation of the new legislature, all parties adopted a new protocol establishing consensus, public participation and transparency as the new basis for legislative debate. Civil society organizations took advantage of this changed environment and assumed an increasingly active role in the legislative process, presenting proposals and stimulating public debate. For example, unions representing electrical industry workers effectively lobbied for a change in the legislation permitting them to increase their percentage of shares in the newly privatized companies.

Improved and Transparent Stewardship of Public Finances

USAID believes that government corruption and lack of transparency of public finances corrodes citizen confidence in and support for democratic processes. To prevent this from happening in El Salvador, the mission has worked with the Court of Accounts to improve its ability to conduct and enforce audits. The work is almost complete and the result is a

positively transformed organization with an aggressive auditing program. It keeps the public informed on the results of all the audits it conducts of public entities and responds publicly to audit findings of mismanagement. Moreover, the Court of Accounts is in the final stages of a review process to receive USAID Inspector General certification as a supreme auditing institution and will soon be used by USAID to conduct audits.

Expected Progress Through FY 2000 and Management Actions

El Salvador is a vastly different country from that of five years ago. The institutions of democracy -- the judiciary, the legislature, even mayors are stronger and more willing to exercise their independent role in governing the country. Salvadorans are increasingly willing to participate in political processes critical to democratic consolidation. USAID's continuing challenge is to capitalize on this new environment.

The legal and institutional reforms in the criminal justice area set the stage for USAID's meeting of its objectives in "More Effective Legal and Judicial Protection for All Citizens." USAID must now work with the justice sector institutions to ensure greater citizens' confidence in the justice system through popular legal education and greater access to justice by mediation and conciliation. By working directly with system operators -- judges, prosecutors and defenders through on-the-job training the mission will ensure the successful implementation of the new criminal process and enhance coordination among the various entities.

In the area of civil society development and political participation, the design and launching of the program has taken longer than expected. Given the phenomenal growth in the number and variety of civil society organizations in El Salvador over the past five years and its rural poverty focus, USAID felt it was important to carefully study NGO capabilities and their role as policy promoters. To this end, USAID has consulted with the democracy SO's extended team and has completed a focus group charged with identifying public policy issues of greatest concern to women. By mid-1998, USAID will have also initiated support to strengthen the Legislative Assembly's budget oversight function, and to improve the quality of technical analysis and level of citizen input into decision-making of such key legislative entities as the Municipal Affairs Committee and the women's caucus. Efforts to broaden public participation and transparency of the legislative process will be complemented through USAID support for a more concerted citizen effort to increase transparency in government actions. The success of individual initiatives, such as those being pushed by the presidents of the Court of Accounts and the Supreme Court to stem corruption through greater public transparency, will be limited unless a wider range of Salvadoran society becomes engaged in a national anti-corruption effort such as that called for in *Bases para el Plan de Nacion*.

USAID will continue to press for needed electoral reforms in conjunction with other donors. It now appears that political party consensus has been reached for residential voting; however, there may not be sufficient time to enact legislation and to implement the changes by 1999.

As a result of initial USAID assistance, the new Civil Registry will be issuing the new single identity card by 2000. USAID will continue to work with civil society, the legislature and others to consider options for multi-party representation on town councils.

On the management front, a concerted effort was made for this R4 to simplify and clarify indicators being tracked for the democracy SO. As noted in the tables, however, the mission continues to struggle with several indicators and is requesting G/DG and LAC/RSD assistance to refine the indicators based on last year's field work in this area. In terms of new activity designs, in late FY 1999, USAID will evaluate the 18 municipal demonstration sites and policy reform efforts, and design a follow-on activity to our municipal development and citizen participation program. Any reductions to SO funding levels would, however, place this new activity in jeopardy or require significant revisions to the ongoing program.

Lastly, the mission will continue to integrate democracy and governance activities with activities of other strategic objective teams. As noted earlier, during 1997, the democracy and economic growth SOs jointly funded activities in the areas of municipal tax and citizen participation in privatization process. A similar arrangement is well-advanced with the water SO to improve the public policy advocacy capabilities of environmental groups. The theme of participation is woven throughout the mission's strategy, and in support of this, the democracy SO will support research and in-country workshops to identify and share best practices in participation throughout the mission and with other donors. Overall, the democracy SO is poised to achieve its objectives and targets through FY 2000.

The Faces of Development

The Mayor Who Believes in his People

When Mayor Jose Gabriel (Lito) Murillo greeted the authorities of the department of Santa Ana recently, he was suddenly struck by the irony of the moment. There he was welcoming people who had snubbed his small village for as long as he could remember. Now, they had arrived at Texistepeque's city hall to meet the mayor who has the reputation of galvanizing communities into action.

"It was funny," he says. "Here I was, the humblest of them all and they had come to listen to me!" "The way I see it", he adds, "they were curious to see first hand how my brand of participatory democracy works in this small, rural town. It was a very good feeling."

Were the visitors impressed?," he is asked. "They said they were. They attended some of our town meetings, talked to the people and saw that my open-door policy really works -- people feel free to express their viewpoints, their concerns; they know I believe in them and can trust I will do my best to make their lives better."

The concerns of the people in Texistepeque, a rural town of 26,000 in the northwestern Salvadoran department of Santa Ana, are the same interests of all people living in rural areas of the country: not enough potable water and electricity.

Murillo was re-elected as their mayor in 1997, precisely because during two previous tenures he had worked miracles to improve the lives of these people. With USAID assistance, for instance, he had nearly doubled the number of households with access to potable water from 39% 10 years ago to 65% in 1997. And access to electricity had also increased from 45% to 60%. Murillo notes that the percentage of citizens with electric hook-ups in Texistepeque is twice the national average for rural areas such as Texistepeque. Because he had done so well as the mayor of Texistepeque, he was chosen as a representative to the Legislative Assembly in 1994 for a three-year term. National politics, he says, were not for him. As a representative, he did succeed in ensuring the completion of the main road, but he missed the daily contact with his people. So he completed his Assembly term, ran for mayor again, and was re-elected in a landslide in 1997.

Today Murillo says he is determined to increase even more community participation. Toward this goal, he has activated "grupos de consulta" or advisory boards, to monitor the pulse of the community. In addition, he adds, he continues to personally visit with as many men, women and children as he can on a daily basis.

PERFORMANCE DATA TABLES

MORE INCLUSIVE AND EFFECTIVE DEMOCRATIC PROCESSES

SO APPROVED NOVEMBER 19 , 1996

SO LEVEL RESULTS:

INDICATOR No. 1: Status of electoral reforms.			
UNIT OF MEASURE: Significant, Moderate, Little, or No progress. (cumulative measure) SOURCE: Qualitative assessment to be carried out annually with members from the SO extended team. The Democracy Sector Assessment was used to establish the baseline data. INDICATOR DESCRIPTION: Movement along the scale from No Progress to Significant reflects forward movement through the four stages all reforms must pass: legitimation, support of a strong domestic constituency, mobilization of funds and, finally, the actual implementation of the reform. Moderate progress, for example, would indicate that there is positive movement on all four reforms being tracked, with most having completed the second stage. COMMENTS:	YEAR	PLANNED	ACTUAL
	1996 (B)		N
	1997	L	L
	1998	M	
	1999	M	
	2000	M	
	2001	M	
	2002 (T)	S	

INDICATOR No. 2: Status of legal/judicial reforms.			
<p>UNIT OF MEASURE: Significant, Moderate, Little, or No progress. (cumulative measure)</p> <p>SOURCE: Qualitative assessment to be carried out annually with members from the SO extended team. The Democracy Sector Assessment was used to establish the baseline data.</p> <p>INDICATOR DESCRIPTION: Movement along the scale from No Progress to Significant reflects forward movement through the four stages all reforms must pass: legitimation, support of a strong domestic constituency, mobilization of funds and, finally, the actual implementation of the reform. Moderate progress, for example, would indicate that there is positive movement on all six reforms being tracked, with most having completed the second stage.</p> <p>COMMENTS: Most of the enabling legislation for the legal and structural reforms to the justice system has been passed. In those areas where implementation of the reforms have begun, better processing of cases is occurring and case filings have increased (a note of confidence).</p>	YEAR	PLANNED	ACTUAL
	1996 (B)		M
	1997	M	M
	1998	M	
	1999	M	
	2000	S	
	2001	S	
	2002 (T)	S	

INDICATOR No. 3: Status of reforms supporting local development and citizen participation processes.			
<p>UNIT OF MEASURE: Significant, Moderate, Little, or No progress. (cumulative measure)</p> <p>SOURCE: Qualitative assessment to be carried out annually with members from the SO extended team. The Democracy Sector Assessment was used to establish the baseline data.</p> <p>INDICATOR DESCRIPTION: Movement along the scale from No Progress to Significant reflects forward movement through the four stages all reforms must pass: legitimation, support of a strong domestic constituency, mobilization of funds and, finally, the actual implementation of the reform. Moderate progress, for example, would indicate that there is positive movement on all five reforms being tracked, with most having completed the second stage.</p> <p>COMMENTS: Notwithstanding the rating of Little progress, the passage of the law transferring 6% of the budget to the municipalities is a major policy success. Mayors are holding more frequent open meetings and NGOs and the citizenry are increasing their participation in these meetings.</p>	YEAR	PLANNED	ACTUAL
	1996 (B)		L
	1997	L	L
	1998	M	
	1999	M	
	2000	M	
	2001	S	
	2002 (T)	S	

INDICATOR No. 4: Behavioral changes which demonstrate democratic values and attitudes taking root in a) the general population and b) the political elite/system operators			
<p>UNIT OF MEASURE: Frequency behavior is practiced: Always, Frequently, Occasionally, Rarely, Never</p> <hr/> <p>SOURCE: Qualitative assessment to be carried out biennially with extended team using stratified random sample survey data and focus group data.</p> <hr/> <p>INDICATOR DESCRIPTION: This indicator is similar to those used by other Central American missions, except the focus is on behavior (e.g., voting, participation in legislative and municipal processes), rather than attitudes, and a special survey and focus groups is being conducted on system operators. 95% or higher average response equates to Always; 70-95% to Frequently; 40-70% to Occasionally, and 10-30% Rarely.</p> <hr/> <p>COMMENTS: The next survey of the general population is scheduled for 1998; the baseline survey for elites/system operators was delayed but field work began in March 1998 with results due by April 30, 1998.</p> <p>Based on concerns raised with this indicator (e.g. problems with understanding indices) G/DG assistance is requested prior to carrying out the next national survey to ascertain whether to maintain, or to substitute a better indicator.</p>	YEAR	PLANNED	ACTUAL
	1995(B) a) b)		R ---
	1997 a) (B) b)	n/a n/a	n/a TBD
	1998 a) b)	R R	
	2000 a) b)	O O	
	2002 (T) a) b)	F O	

INTERMEDIATE RESULTS:

RESULT No. 2.1: More Politically Active Civil Society							
INDICATOR: Citizen participation in civil society organizations (NGOs, neighborhood groups).							
UNIT OF MEASURE: Percentage of population		YEAR		PLANNED		ACTUAL	
SOURCE: CID/Gallup Omnibus and stratified random sample national surveys and focus groups with operators on a biennial basis.				M	F	M	F
INDICATOR DESCRIPTION: This indicator measures citizen participation in civil society organizations (CSOs) which articulate citizen demand. Percentages shown is number of respondents to survey indicating participation in last year in a private organization.		1994 (B)		n/a	n/a	9.5	4
		1995		9.5	4.0	n/a	n/a
		1996		10.0	5.0	11 Total	
		1997		12.0	12.0	6	3
		1998					
		2000					
COMMENTS: Significant variation between 1996 and 1997 data appears to be based on data collection inconsistencies. Notwithstanding this variation, citizen participation in CSOs remains very low. On the positive front, 69% of those surveyed in 1997 that belong to CSOs expressed a high level of satisfaction with the services provide by that organization. The democracy SO would like to receive G/DG feedback on indicators being used by other missions, and consider adding and/or substituting a better indicator of politically active civil society.		2002 (T)					

RESULT No. 2.2: An Impartial and More Effective Electoral Administration			
INDICATOR No. 1: a) Number of votes cast per election; b) Percentage of women who indicated they vote; and c) Impact of political/administrative problems on credibility of electoral process			
<p>UNIT OF MEASURE: a) Number of votes cast; b) percentage c) Significant, Moderate, Little, or No impact</p> <hr/> <p>SOURCE: Electoral Tribunal data, CID/Gallup, <i>Instituto Universitario de Opinión Pública</i> (IUDOP), and national stratified random sample surveys to be carried out in elections years.</p> <hr/> <p>INDICATOR DESCRIPTION: Voters are not tracked by sex on election day. Therefore, indicator b) is from national surveys that ask women if they voted in the last election. Indicator c) is a qualitative assessment based on responses to survey questions and extended team members' comments.</p> <hr/> <p>COMMENTS: Target for voter turnout in 1997 was based on a slight increase over 1994 elections; we neglected however to factor in normally lower levels of participation in municipal and legislative elections. Participation in 1997 is slightly higher than the most recent non-presidential election (1991).</p> <p>The level of female participation remained relatively constant with the 1994 elections, and is approximately 10% lower than that of males.</p> <p>Unlike the 1991 and 1994 elections where survey data indicated that lack of confidence and electoral registry problems accounted for as much as 70% of absenteeism, in 1997 voters cited a disappointment with the choices offered as the main reason for not voting.</p>	YEAR	PLANNED	ACTUAL
	1991 (Local) a) b) c)		1,134,650 44% S
	1994 (B) (Both) a) b) c)		1,453,299 53% S
	1997 (Local) a) b) c)	1,500,000 60% M	1,176,8875 0.3% M
	1999 (Pres) a) b) c)	1,500,000 65% M	
	2000 (T) (Local) a) b) c)	1,300,000 65% F	

RESULT No. 2.3: Increased Participation in Strengthened Local Government			
INDICATOR No. 1: a) Percentage of targeted households in target municipalities with selected municipal services (garbage, water, electricity, etc.), and b) Satisfaction with municipal services in municipalities targeted by USAID.			
UNIT OF MEASURE: percentage SOURCE: a) Municipal Development project reports. b) biennial surveys of households serviced in USAID target municipalities. INDICATOR DESCRIPTION: a) Each of the 18 USAID supported target municipalities have selected one to three municipal services that it plans to extend to a targeted number of urban households between 1996 and 2002. The first indicator shows the percentage of households scheduled to received the services that actually received these services. b) The second indicator shows the percentage of target households stating they are satisfied with the selected service(s). The baseline reported is the national average for municipal services. COMMENTS: Target shown for 1998 service coverage has been revised upward, from 50% to 77% based on actual plans presented by target municipalities. The next household survey in target municipalities is scheduled for 1998.	YEAR	PLANNED	ACTUAL
	1996(B) a) b)		49% 40%
	1997 a) b)	49% n/a	49% n/a
	1998 a) b)	77% 50%	
	1999 a) b)	83% n/a	
	2000 a) b)	88% 75%	
	2001 a) b)	94% n/a	
	2002(T) a) b)	100% 80%	

RESULT No. 2.4: More Effective Legal/Judicial Protection for All Citizens					
INDICATOR No. 1: a) Citizen perception of fairness of the justice system; and b) Access to legal information/services in the criminal jurisdiction					
<p>UNIT OF MEASURE: a) Percentage b) Number of cases files per year.</p> <p>SOURCE: a) CID/Gallup, IUDOP, and national stratified random sample surveys carried out every 2 years, b) Supreme Court data.</p> <p>INDICATOR DESCRIPTION: a) The first indicator shows the percentage of respondents in survey that expressed some to high levels of confidence in guarantee of a fair trial. b) The second indicator is a proxy for access has been revised from prior years (i.e., from citizen knowledge of the law) to number of cases filed in juvenile and adult criminal courts nation-wide.</p> <p>COMMENTS: In 1997 the number of cases filed decreased slightly due to fewer juvenile cases filed. Prior to 1995 before any criminal law reforms, caseloads increased 6 - 7 percent a year on average. Beginning in 1998, when the criminal codes take effect, we expect annual caseloads to increase 10 percent on average for a few years (through 2000), reflecting greater confidence and access to the system.</p> <p>Although not reflected in the indicator, reforms to the family codes to better protect rights of women and children, have resulted in an increase in case filings of 85%, from 8,101 in 1995 (when the new law took effect) to 14,956 in 1997.</p>	YEAR	RESPONDENTS		NUMBER OF CASES FILES	
		PLANNE D	ACTUAL	PLANNE D	ACTUAL
	1995 (B)		30%		8.923
	1996	--	--		11,207
	1997	40%	45%		11,038
	1998	--	--	12,142	
	1999	45%		13,356	
	2000	--		14,692	
	2001 (T)	50%		15,867	

RESULT No. 2.5: Improved and Transparent Stewardship of Public Finances			
INDICATOR No. 1: a) Effective implementation of integrated financial management systems in targeted municipalities. b) Frequency budget and other expenditure information is disseminated at the local level in target municipalities.			
<p>UNIT OF MEASURE: a) Number of the 18 target municipalities implementing integrated financial management systems b) Consistently, Occasionally, Rarely, or None</p> <p>SOURCE: a) Project Records, b) Qualitative assessment to be carried out based on the review of minutes from open town meetings and survey data</p> <p>INDICATOR DESCRIPTION: Municipalities who divulge information at least quarterly and whenever requested will be rated consistently; dissemination at least twice a year will be rated occasionally; and one public forum will be rated rarely. The consolidated rating reported reflects rating of the majority of the target municipalities.</p> <p>COMMENTS: During 1997, the technical design of the integrated financial management system for municipal use was completed and the three municipalities for a pilot test were selected.</p> <p>The turnover in municipal offices, combined with uncertainties as to the level and timing of any national budget transfers, resulted in fewer public forums on budgetary and fiscal matters. However, thus far in 1998, 15 of the 18 targeted municipalities have held or scheduled public discussion of their budgets. The recently approved operating procedures for the 6% transfer require a minimum of quarterly reports to the public on the use of funds.</p>	YEAR	PLANNED	ACTUAL
	1996(B) a) b)	-- --	Ø R
	1997 a) b)	Ø O	Ø R
	1998 a) b)	3 O	
	1999 a) b)	6 O	
	2000 a) b)	10 O	
	2001 a) b)	15 C	
	2002(T) a) b)	18 C	

RESULT No. 2.5: Improved and Transparent Stewardship of Public Finances			
INDICATOR No. 2: Frequency of dissemination of information re budget, procurement, and audit processes at the national level.			
UNIT OF MEASURE: Consistently, Occasionally, Rarely, or None SOURCE: Qualitative assessment to be carried out based on the review of newspapers and other media; discussions with CSOs, and system stakeholders; and focus group and survey data. INDICATOR DESCRIPTION: A qualitative rating of consistently indicates dissemination of information by the Court of Accounts (COA) at least quarterly and whenever requested; dissemination at least twice a year will be rated occasionally. The disclosure of information concerning resource allocation and uses constitutes one aspect of stewardship, which USAID is affecting at the national level through assistance to CSOs, the legislature and executive branch agencies such as the Court of Accounts. COMMENTS: Both the number of audits and dissemination of findings have increased: the number of audits rose from 75 in 1995 to 286 in 1997. Audits during the 1995-96 period covered 19 percent of the national budget. The press has increased its reporting of Court of Accounts findings from 31 articles in 1995 to 212 in 1997.	YEAR	PLANNED	ACTUAL
	1996(B)	--	R
	1997	R	O
	1998	O	
	1999	O	
	2000	O	
	2001	C	
	2002(T)	C	

World's Population Stabilized and Human Health Protected

Strategic Objective Three: Sustainable Improvements in the Health of Women and Children Achieved

"We need to ensure that everyone in our society functions well, is well and has a sense of physical well being."

Bases para el Plan de Nación, 1998

Performance Summary

The health SO met its objectives in 1997. Based on proxy data, it is clear that maternal and infant mortality rates continue to fall. These improvements are a reflection of USAID's efforts to support the provision of basic health services, particularly for women and children, in rural areas. In 1997, the Ministry of Health (MOH) presented a plan for modernization, emphasizing decentralization and changes in the organization and delivery of health care. Significantly closer donor coordination and an improved working relationship between donors and the Ministry of Health are positive signs that the modernization process will continue. These relationships will be essential to ensure that the coverage of primary health care services in rural areas is maintained as USAID's financial support for health non-governmental organizations (NGOs) comes to an end.

Relationship to U.S. National Interests

In El Salvador, the U.S. Government is contributing to two global foreign policy goals aimed at reducing population growth and the spread of disease. The U.S. Mission Performance Plan (MPP) notes that achievement of these goals will help to strengthen El Salvador's economic development and relieve pressures on illegal immigration to the United States. USAID's health SO, with its focus on child survival and reproductive health, is virtually the only mechanism the U.S. Government has to pursue these goals.

Performance Analysis

Long-term trends in the health status of women and children in El Salvador continued to show gains in 1997. The United Nations Children Fund (UNICEF) projected for 1997, that the infant mortality rate would fall to 34 deaths per 1000 births from 41 deaths per 1000 births in 1993. For children under five, the 1997 mortality rate was projected to be 40/1000 compared to 52/1000 in 1993. According to the MOH statistics, the number of deliveries attended by trained personnel, a proxy measure for maternal mortality, increased from 65% in 1996 to 67% in 1997.

This continued improvement in the health status of women and children in El Salvador can be attributed, in part, to USAID's assistance in this sector. With USAID and other donor assistance, the MOH has been able to increase already high rates of vaccination coverage. In 1997, 81% of the 262 municipalities, compared with 63% in 1996, reported diphtheria pertussis, tetanus (DPT3) immunization coverage of over 90%. USAID also has continued to support 30 local NGOs providing primary, preventive health care in rural areas to approximately 128,000 women of reproductive age, and approximately 97,000 children under age five.

Health promoters and traditional birth attendants are the primary means of providing basic and preventive health services to women and children in rural communities. In 1997, health promoters, whether financed by USAID or the MOH, were serving in three-fourths of the country's *cantones*, or townships, in all 14 departments. This coverage has remained stable over the past year. Health promoters are, therefore, the primary mechanism for achieving the mission's intermediate results to increase the use of child survival and reproductive health practices and services.

Reflecting the MOH's desire to expand health coverage to unserved areas, the health minister recently announced plans to increase the corps of community health personnel. He has proposed adding more health promoters and training 400 malaria volunteer workers to become health promoters. USAID has been in regular policy discussions with the MOH on this issue and, as in the past, is prepared to assist the ministry in implementing its plan to expand health coverage to more isolated rural townships.

Increased Use of Appropriate Child Survival Practices and Services

High infant and child mortality rates, especially among poor women, can be reduced through the increased use of appropriate child survival practices and services. Rural health promoters play key roles in providing this primary care.

In 1997, El Salvador was designated by the Pan American Health Organization (PAHO) as the Central American regional center for implementing a new international protocol designed to decrease childhood diseases. In making the announcement of the new protocol, called

Integrated Management of Childhood Diseases (IMCI), the Minister of Health demonstrated his country's desire to be at the forefront of adopting the strategy for the region. USAID will support the implementation of this protocol at the clinical level, and will assist in the development of new educational and training materials and programs for health promoters and other medical personnel.

Increased access to water and sanitation systems is an important way to reduce diarrhea and to improve the survival of rural Salvadoran children. In 1997, the number of people in rural areas with access to potable water as a result of USAID-funded activities grew 35%, from 70,180 beneficiaries in 1996 to 94,680 in 1997. Similarly, access to latrines in project sites increased from 53,795 in 1996 to 66,272 in 1997, an increase of 25% more people with latrine access.

Increased Use of Appropriate Reproductive Health Practices and Services

Some of the greatest health threats to children and mothers result from inadequate pre-through-postnatal care, and closely spaced, or unwanted pregnancies. With regard to pre-natal care, there was a modest increase in the number of pregnant women receiving prenatal services in Ministry of Health facilities (from 56% in 1996 to 59% in 1997). The 30 USAID-funded health NGOs that provide services to approximately 128,000 women of reproductive age reported a 21% increase in prenatal registration (from 73% in 1996 to 94% in 1997).

Increased access to temporary contraceptive methods is providing a major reproductive health benefit to Salvadoran women. Until now, nearly two-thirds of the women using some form of family planning have chosen surgery. Since sterilization often is not appropriate for younger women, many women who want to limit their family size have been left without effective means to do so. That situation is now improved. The Ministry of Health, with USAID's assistance, has adopted a new policy that, for the first time, makes available the popular injectable contraceptive to rural women through health promoters and traditional birth attendants. Also, at USAID's urging, medical examinations at often distant health facilities are no longer required as a precondition for receipt of contraceptive services from community health workers.

As in many other developing countries, the increase of new human immunodeficiency virus (HIV) infections in El Salvador is posing a serious threat to the general society and is straining an overloaded health delivery system. The number of new HIV infections per 100,000 people nearly doubled, from 4.8 in 1996 to 8.9 last year. A regional HIV/AIDS activity in El Salvador, together with bilateral USAID/El Salvador support to the MOH, seeks to reverse the trend of HIV infections through public education campaigns, condom availability and counseling training for health providers. A national HIV/AIDS NGO network was formed in 1997 to coordinate all NGO efforts toward the prevention of HIV/AIDS. This activity assisted local organizations to develop the National HIV/AIDS Prevention Plan, which is helping to formulate the national response to this growing problem.

Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs

While characterized by slow and uneven implementation in the past, the MOH's continuing modernization and reform efforts gained momentum in 1997 with the unveiling of a detailed modernization plan. A key component of the ministry's new plan is the decentralization of financial, logistics and supply and human resources management functions to the departmental level. In addition, work has begun to create new integrated health service delivery networks (health districts) as an alternative to the current inefficient hierarchical system of levels of care. As part of this process, the MOH's departmental directors have prepared one-year action plans consistent with the new decentralized strategy. According to the ministry's goal, each regional office will be evaluated at the end of the year based on those plans.

In 1997, USAID initiated a series of meetings with other key donors including PAHO, the Inter-American Development Bank (IDB) and GTZ, the German development assistance agency, which has resulted in the development of a joint plan of action to assist the MOH in its health reform efforts. The minister has requested that this group constitute an advisory committee on modernization to the ministry and act as a forum for coordinating donor assistance in this area.

In another important policy development, the Minister of Health announced in December that the ministry will provide free preventive health care for children under 12 and for women of reproductive age. While encouraging from the point of making health care more accessible, it is unclear how this new policy will affect current efforts to increase cost recovery revenues, which accounted for only 8% of the ministry's 1997 budget. The Director General of Health has requested USAID's assistance to evaluate its cost recovery system and make recommendations on how it should be modified in light of the new policy.

In the hope of promoting direct contracting of health NGOs by the Ministry of Health, in 1997, USAID financed an evaluation of 18 of the 30 USAID-supported NGOs providing primary health care services. The evaluation concluded that, overall, the NGOs were "performing adequately," but also noted that many of the NGOs were more effective in promoting the health of women and children than the ministry's own health promoters. Despite this finding, the ministry has made no commitment to enter into direct contractual arrangements with these NGOs to provide health services in rural areas, a decision that could serve to institutionalize coverage in these areas. USAID continues to press the MOH to ensure primary health care services are available in rural areas.

The participation of women in community health activities expanded in 1997. For example, the percentage of women participating on health committees in water and sanitation project areas was 61% as compared with 54% in 1996. USAID is providing support to the MOH to expand the number of health committees in 1998 to 150 new rural communities. Women traditionally are the majority of the membership on these committees.

Expected Progress through FY 2000, and Management Actions

USAID/El Salvador expects to meet all targets of the health strategic objective through FY 2000. To achieve these targets and beyond, the health portfolio will need to make major changes over the next two and a half years. In 1998 and 1999, three large health projects will be closed out. Beginning in 1998, these projects will be replaced by a new activity that will take an integrated approach to meet objectives in child survival, reproductive health and health sector policy reform. This activity will also include a component to address the growing threat from tuberculosis through improved surveillance, response and research on drug resistance. The activity will be complemented by an existing water and sanitation activity, which was extended in 1997 to continue efforts to reduce the incidence of diarrheal diseases among children.

The health SO's policy reform efforts may be slowed by the up-coming presidential campaign. Nonetheless, the mission is confident continued progress will be made on the policy front. The close donor coordination that USAID has generated, combined with the minister's receptivity to work with this group, opens up opportunities for collaboration toward implementing the ministry's modernization plans. The health SO has also begun to build ties with the Legislative Assembly, which has led to requests from the assembly's Health Committee for assistance with research and with the drafting of legislation to address the needs of women and children.

The one potentially dark cloud on the horizon is the lack of commitment from the MOH to maintain the health service coverage currently provided by USAID-funded NGOs. After six years of financing, USAID no longer has the resources to continue funding these NGOs. Other donors may pick up part of the tab, but that would be only a temporary solution. A more sustainable solution must be found. With USAID funding ending in 1998 for these NGOs, the MOH has no choice but to put a plan in place to provide coverage for those rural areas now being served. USAID is actively working with the ministry to fully understand the magnitude of the problem and is prepared to assist the MOH in identifying alternatives for ensuring that rural areas have access to primary health services.

The SO has taken steps to improve its ability to monitor and manage for results. New proxy indicators have been added to the SO's performance monitoring plan. Some lower level indicators were moved higher in the framework to serve as proxies, as was recommended in last year's R4 review. Other indicators were dropped because they proved to be unreliable or didn't adequately measure progress for a given intermediate result.

In 1998, USAID will again conduct the family health survey, the latest in a series dating from the 1970s. This survey is essential to understand how demographic and health status have changed since the last survey in 1993, and to identify areas requiring corrective action. USAID will also support the MOH's plans to improve its health management information system, and will introduce a geographic information system for spatial analysis of health issues.

The Faces of Development

Health Promoter is Lifeline for Salvadoran Women

Ruth Javes and her newborn son stepped off the bus from the hospital where she stayed overnight after giving birth to the baby she now cradles in her arms.

Despite the long ride home on some of the dustiest bumpy roads that criss-cross El Salvador, Ruth says she feels happy because she had a normal delivery and a healthy baby.

In comparison, she adds, "my sister wasn't so lucky, she was terrified about the whole thing and did not know what to do. Two of her babies died at childbirth."

Ruth, 19, in contrast, says she felt she was well-prepared for the event. She lives in Comunidad Guirola, in El Salvador's department of Santa Ana. Her community is lucky, she notes, because it's close to the city of Santa Ana, where there is a hospital. Her sister, who lives elsewhere, was assisted by a poorly trained midwife. For nine months, Ruth went to the health clinic in Comunidad Guirola, where the trained health promoter, Maria del Carmen Caballero, gave her not only a monthly checkup, but also free vitamins, and instructions on how to take care of herself.

Maria del Carmen is one of 170 health promoters and 150 midwives trained by the USAID-funded NGO network, PROSAMI. In 1997, PROSAMI set an unprecedented record when it reduced to zero -- in selected regions of the country -- the number of women who died at childbirth. Working with 12 Salvadoran NGOs, PROSAMI reaches 185,000 people, mostly women ages 10-45 and children under the age of 5. Another network of 18 USAID-funded health NGOs increases the total the beneficiary population to over 400,000.

As a direct beneficiary of USAID's maternal and childcare programs, Ruth says she wants to share with other women, such as her sister, information she has on nutrition, sanitation and other health issues.

"I want to tell my friends they don't have to suffer and that their children don't have to get sick or die.

"When I first learned I was pregnant," she says, "I had no idea I was supposed to take vitamins, exercise, drink good water and try to eat better. I just thought 'well, if my kid dies (at childbirth), it's the will of God.'

"Now," she adds with a smile, "I know I can give God a little hand."

PERFORMANCE DATA TABLES

SUSTAINABLE IMPROVEMENTS IN HEALTH OF WOMEN AND CHILDREN

SO APPROVED JUNE 7, 1996

SO LEVEL RESULTS:

INDICATOR No. 1: Maternal Mortality Ratio and percent of deliveries attended by Ministry of Health (MOH) trained personnel					
UNIT OF MEASURE: A. Number of women B. Percent of deliveries <hr/> SOURCE: A. National Family Health Survey (FESAL) performed every five years. B. Annual statistical data provided by the MOH. <hr/> INDICATOR DESCRIPTION: A. Maternal Mortality Ratio: Number of women of fertile age who died from pregnancy and delivery complications per 100,000 live births per year. B. Percent of deliveries attended by MOH trained personnel: includes deliveries attended in MOH hospitals and health units and at households by trained midwives. <hr/> COMMENTS: A recent USAID study of 14 country health assessments shows that current measurement techniques do not permit "meaningful" monitoring of maternal mortality over time. The study urges the monitoring of proxy indicators which reflect whether the maternity care assures a safe delivery, i.e.: are deliveries attended by trained midwives?	A. Maternal Mortality Rate			B. Deliveries Attended by MOH Personnel	
	YEAR	PLANNED	ACTUAL	PLANNED	ACTUAL
	1993		158		54
	1994				59
	1995				62
	1996				65
	1997			66	67
	1998	120		69	
	1999			72	
	2000			75	
	2001			78	
	2002			82	
	2003	90		85	

INDICATOR No. 2: Total Fertility Rate			
UNIT OF MEASURE: Number of children	Total Fertility Rate		
SOURCE: FESAL performed every five years.	YEAR	PLANNED	ACTUAL
INDICATOR DESCRIPTION: Total Fertility Rate measures the number of children a woman could expect to deliver during her reproductive life.	1993	4.0	3.85
COMMENTS: Results of the 1998 FESAL are expected to be available by October 1998.	1998	3.5	
	2003	3.1	

INDICATOR No. 3: Infant Mortality Rate			
UNIT OF MEASURE: Number of children	Infant Mortality Rate		
SOURCE: FESAL performed every five years.	YEAR	PLANNED	ACTUAL
INDICATOR DESCRIPTION: Number of children under one year who die per 1000 live births.	1993	51	41
COMMENTS: The MOH established the official goal of reducing the Infant Mortality Rate to 20 by the year 2000. MOH data on number on the children under one year old who died in MOH facilities confirm the downward national trend in infant mortality. UNICEF estimates that the Infant Mortality Rate in El Salvador in 1997 was 34 per 1000 live births.	1998	30	
	2003	19	

INDICATOR No. 4: (A) Child Mortality Rate (B) Percent of municipalities reporting over 90% coverage with DPT3						
UNIT OF MEASURE: A. Number of children. B. Percent of municipalities		A. Child Mortality Rate		B. DPT3 Coverage Vaccination		
<p>SOURCE: A. FESAL performed every five years.</p> <p>B. Annual statistical data provided by the MOH in 262 municipalities.</p> <hr/> <p>INDICATOR DESCRIPTION: A. The Child Mortality Rate is the number of children 1-5 who die per 1000 children under 5 who have survived the first year of life . B. Percent of the total number of municipalities reporting over 90% of children under one with complete DPT (3 doses of the diphtheria, polio and tetanus series) vaccination.</p> <hr/> <p>COMMENTS: For 1993, FESAL recorded a sharp decline in child mortality to 12% as compared with the rate of 16% reported five years earlier.</p> <p>DPT3 coverage has an important inverse relationship with child mortality and is used as an annual proxy to gauge progress between FESALs. The number of municipalities reported by the MOH to have over 90% DPT3 vaccination coverage is large and continues to grow. Vaccination coverage for other diseases is also high, for example, 69% of municipalities reported over 95% coverage with measles vaccine during 1997.</p>		YEAR	PLANNED	ACTUAL	PLANNED	ACTUAL
		1993		12		N/A
		1994				N/A
		1995				55
		1996				63
		1997				81
		1998	9		82	
		1999			86	
		2000			90	
		2001			94	
		2002			97	
		2003	6		98	

INTERMEDIATE RESULTS:

CHILD SURVIVAL

RESULT 3.1 Increased Use of Appropriate Child Survival Practices and Services			
INDICATOR No. 1: Percent reduction in prevalence of diarrhea in new water and sanitation project areas.			
UNIT OF MEASURE: Percent	YEAR	PLANNED	ACTUAL
<p>SOURCE: Data gathered by the USAID institutional contractor in charge of implementing water and sanitation activities, exclusively in the areas served by the contractor.</p> <p>INDICATOR DESCRIPTION: Reduction of the total number of cases of diarrhea in children under five in selected rural communities.</p> <p>COMMENTS: An extension of an ongoing water and sanitation activity covering several small rural communities throughout El Salvador will begin in March 1998. Thereafter, reduction in diarrhea prevalence in those communities will be monitored and reported on an annual basis.</p> <p>The figure of 26% reduction in diarrhea cases is what has been achieved on average in rural water and sanitation programs in other parts of the world (Technical Report No. 66, Wash, July 1990).</p>	1998	26	
	1999	26	
	2000	26	
	2001	26	
	2002	26	
	2003	26	

RESULT 3.1 Increased Use of Appropriate Child Survival Practices and Services			
INDICATOR No. 2: Number of Ministry of Health units implementing Integrated Management of Childhood Illnesses (IMCI) Protocol			
UNIT OF MEASURE: Number	YEAR	PLANNED	ACTUAL
SOURCE: MOH annual service statistics.	1998	4	
INDICATOR DESCRIPTION: Number of MOH health units implementing new IMCI protocol.	1999	30	
COMMENTS: PAHO and USAID are introducing the IMCI protocol to El Salvador beginning 1998. USAID will monitor the number of health units adopting the IMCI system every year; drugs needed by the IMCI program will be provided by the MOH.	2000	77	
A "health unit" is defined as an MOH facility that provides mostly preventive and integrated medical care to an estimated population between 15,000 and 25,000 inhabitants and that is staffed with permanent personnel. There are currently 352 health units in El Salvador.	2001	122	
	2002	157	
	2003	174	

REPRODUCTIVE HEALTH

RESULT No. 3.2: Increased Use of Appropriate Reproductive Health Practices and Services					
INDICATOR No. 1: Percent of pregnant women receiving prenatal services					
UNIT OF MEASURE: Percent	A. FESAL			B. MINISTRY OF HEALTH	
SOURCE: A. FESAL and B. The MOH annual service statistics. INDICATOR DESCRIPTION: Percent of pregnant women in a given population that receive prenatal services according to MOH maternal care norms. COMMENTS: The 1993 FESAL reported a higher percent of women in prenatal care than those reported by the MOH for 1994, indicating that approximately 30% of women nationwide receive prenatal care from other than MOH services. Annual MOH statistics show that prenatal coverage is increasing in El Salvador. Increases are also reported by the USAID-supported health NGOs (from 49% in 1994 to 78% in 1997 in their coverage areas) *1997 MOH data is a projection based on actual data for the period January-September	YEAR	PLANNED	ACTUAL	PLANNED	ACTUAL
	1993		68.7		N/A
	1994				45
	1995				53
	1996				56
	1997				59
	1998	80		67	
	1999			72	
	2000			77	
	2001			82	
	2002			87	
	2003	95		95	

RESULT No. 3.2: Increased Use of Appropriate Reproductive Health Practices and Services					
INDICATOR No. 2: Contraceptive Prevalence Rate and Number of Couple Years of Protection					
UNIT OF MEASURE: Percent and Number	A. CONTRACEPTIVE PREVALENCE RATE			B. COUPLE YEARS OF PROTECTION	
<p>SOURCE: A. FESAL for Contraceptive Prevalence Rate, B. MOH, Social Security Institute and Salvadoran Demographic Association annual statistics for couple years of protection.</p> <p>INDICATOR DESCRIPTION: The Contraceptive Prevalence Rate measures the percent of women who are using contraceptives in a given population (new acceptors and continuing users) and at a given time (at the moment the survey is done). This indicator can only be measured by national surveys like FESAL and is generally carried out every five years. The couple years of protection does not measure actual contraceptive prevalence. It is a proxy indicator that shows estimated levels of protection from pregnancy when using modern methods of contraception.</p> <p>COMMENTS: Although the rate of increase in new family planning users has declined over the past two years among the major service providers, overall contraceptive use continues to increase.</p>	YEAR	PLANNED	ACTUAL	PLANNED	ACTUAL
	1993	51	53.3		N/A
	1994				N/A
	1995				426,098
	1996				466,000
	1997				541,990
	1998	57		560,000	
	1999			570,000	
	2000			600,000	
	2001			650,000	
	2002			700,000	
	2003	64		750,000	

POLICY

RESULT No. 3.3: Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs.			
INDICATOR No. 1: Percent of townships served by MOH-supported health promoters.			
UNIT OF MEASURE: Percent	YEAR	PLANNE D	ACTUAL
SOURCE: 1995 Health Promoter Study and MOH reports.	1995		67
INDICATOR DESCRIPTION:	1996		68
	1997	69	68
	1998	70	
	1999	75	
	2000	77	
	2001	79	
	2002	82	
	2003	85	

COMMENTS: There are a total of 2,056 "cantones" or townships in El Salvador and 1,336 of them are in targeted rural and semi-urban areas which comprise the baseline for this indicator. In 1998 it was determined that a total of 75% of all townships were served by NGO and MOH promoters.

NGOs-supported health promoters are not included here since USAID support to the health NGOs will end in December 1998. By the end of 1999 it is expected that the MOH will expand promoter coverage to townships now served by NGOs, who will lose their USAID-funding in 1998.

RESULT No. 3.3: Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs.

INDICATOR No. 2 : Percent of Ministry of Health expenditures allocated to primary care.

UNIT OF MEASURE: Percent SOURCE: MOH annual budget and financial expenditure reports INDICATOR DESCRIPTION: This indicator measures the degree of financial sustainability as well as the relative emphasis given by the Government of El Salvador and the MOH to preventive (primary) care as opposed to curative (secondary) care. COMMENTS: The recently adopted MOH "Modernization Plan" gives much greater emphasis to primary health care, and should generate both increased resources and an increase policy focus on child survival and reproductive health programs. In addition, the MOH recently initiated a comprehensive new preventive health initiative targeted at women and children, which should give added inputs to making child survival and reproductive health a top policy priority of the GOES.	YEAR	PLANNE D	ACTUAL
	1995		33
	1996		30
	1997		34
	1998	33	
	1999	35	
	2000	38	
	2001	42	
	2002	45	
	2003	50	

RESULT No. 3.3: Enhanced policy environment to support sustainability of child survival and reproductive health programs.

INDICATOR No. 3: Amount of revenue from charges to users of MOH health services recovered as a percentage of total annual MOH budget expenditures.

UNIT OF MEASURE: Percent SOURCE: MOH annual financial expenditure reports and revenues generated by MOH facilities. INDICATOR DESCRIPTION: This indicator measures the percent of expenses recuperated by the MOH from fees charged to users at health facilities. COMMENTS: In December 1997, the MOH established a policy of not charging fees for preventive services in maternal and child health programs, e.g., prenatal services, growth monitoring, deliveries. This new policy will have negative impact on the amount of money recuperated by the MOH in 1998 as compared with 1997. However, beginning in 1999, the MOH projects an increasing percentage of revenue to be generated from cost recovery measures. Planned cost recovery targets shown in this table will be modified accordingly, once the new cost recovery plan is established by the MOH.	YEAR	PLANNE D	ACTUAL
	1995		No data
	1996		No data
	1997		8.09
	1998	7	
	1999	8	
	2000	9	
	2001	10	
	2002	11	
	2003	12	

Environment Managed for Long-Term Sustainability

Strategic Objective Four: Increased Use of Environmentally Sound Practices in Selected Fragile Areas

"Our country needs to make major efforts...to overcome grave and growing imbalances in our environment, especially our water resources....If we neglect this, we are threatening the survival of future generations and our economy."

Bases para el Plan de Nación, 1998

Performance Summary

The year's highlights were related to policy development. In June, the Government of El Salvador (GOES) created a new Ministry of Environment and Natural Resources and submitted to the Legislative Assembly a string of legislation which led to passage of the unprecedented General Environmental Law in March 1998. There were also significant gains in environmental education. Nonetheless, performance of the environment strategic objective (SO) was generally disappointing, especially in light of the high cost of implementing the activities. The small gains made in the demonstration area, for instance, were cancelled out by the GOES' lack of interest in replicating the activity. A number of policy initiatives still remain unfulfilled despite USAID's considerable assistance in recent years.

Taking these factors into consideration, along with budget constraints, led the mission in October 1997 to refocus its environment SO to an emphasis on water because of the paramount importance water plays in all aspects of Salvadoran life, especially among those living in poverty in the rural areas of the country.

Despite all this, there were some gains. For instance, there was an increase in the participation by small farm families who live in a demonstration area of the country in a wide-range of environmentally sound agricultural practices designed to protect El Salvador's fragile areas. In addition, a USAID partnership with a prominent association of industrialists, succeeded in establishing a Clean Technology Center to promote pollution prevention strategies in key industries.

Relationship to U.S. National Interests

As stated in the Mission Program Plan (MPP), the U.S. Government's environmental goals in El Salvador are to increase access by rural households to clean water and secure greater Salvadoran Government support for the reduction of greenhouse gas emissions and preservation of tropical forests. The promotion of environmental protection, and the emphasis on access to clean water, are also key to achievement of the strategic goal of economic development.

The water SO builds public awareness about factors affecting water quality in the country and its relationship to health and environment. It also promotes the protection and management of watersheds and seeks to improve water distribution systems. To achieve its objectives, this SO depends on close coordination with the activities of other agencies and on the direct support of USAID activities in other strategic objectives.

Performance Analysis

At the strategic objective level there were some accomplishments in the use of sound natural resource management technologies and practices primarily in the demonstration area in western El Salvador. More small farm families adopted improved natural resource management practices such as live barriers and perennial crops on their hillside farms than in 1996. Additional households are using pollution-prevention and resource-saving technologies such as woodstoves, latrines and covered wells. According to 1997 data, more than 1,700 families in the demonstration area have improved their pollution-prevention and conservation practices in the last two years alone. There are 8,336 households in the demonstration area located in San Francisco Menendez, in western El Salvador. Two non governmental organizations (NGOs), SalvaNatura and World Vision, are taking over further dissemination of the new practices from USAID's institutional contractor.

In addition, since 1994, the Enterprise for the Americas Initiative Debt Reduction Fund (FIAES) has underwritten the costs of environmental projects implemented by local NGOs. FIAES has supported reforestation and soil and water conservation projects throughout El Salvador which, to date, have protected 25,000 acres of fragile land. In 1997 alone, FIAES-funded NGOs carried out conservation practices on 7,296 acres of fragile land.

USAID's modest investment in pollution prevention activities also helped to leverage a major grant from the U.N. Industrial Development Organization to the prominent Salvadoran Association of Industrialists to initiate a Clean Technology Center. In further collaboration with the industrials' association, USAID sponsored a pollution-prevention pre-assessment of seven key industries. This led industrialists from the heavily polluting tannery and coffee mill sectors to ask USAID for assistance in assessing the environmental impacts of their factories and proposing mitigation measures. Even before receiving the detailed diagnosis, one tannery operator adopted several pollution-prevention practices after the pre-assessment demonstration and shared his experience with the Tannery Owners' Association. Although the baseline 1996 data showed seven communities making serious plans for proper solid

waste disposal, none was actually able to put the plans into practice in 1997. The delay in communities actually using prevention practices was due to negotiations among municipalities to combine efforts for a common landfill. This improves prospects for financing and long-term sustainability.

The most significant event for El Salvador's environment in 1997 was the creation in June of a new Ministry of Environment and Natural Resources. The establishment of this ministry culminates six years of concerted assistance by USAID to strengthen environmental protection policies. The SO also assisted the Ministry of Agriculture and Livestock over the last two years to draft versions of the General Environmental Law, the Forestry Law, the Forestry Incentives Law and the Protected Areas Law. Although the event occurred outside the reporting period of this R4, the country's first General Environmental Law was approved by the Legislative Assembly on March 2, after 26 hours of debate by the plenary.

Furthermore, at the national policy level, the ministers of education and environment and natural resources announced guidelines for a national policy on environmental education to more than 400 educators, NGOs and journalists at a meeting convened by USAID's environmental education activity and the Ministry of Environment and Natural Resources. The guidelines document was a direct result of a participative consultation process USAID supported with large groups of NGOs, journalists, and school teachers over the last year. The ministries of education and environment will jointly write the final policy to guide actions of all segments of Salvadoran society in environmental education in the 21st century.

Increased Awareness and Understanding of the Importance of Environmental Issues

Fueled by massive public campaigns and by the reality they face daily, Salvadorans are increasingly aware of the daunting environmental problems burdening all aspects of their lives. While USAID acknowledges that awareness alone, without a concerted action, cannot solve the country's environmental problems, it is a very important step forward.

The primary indicator for this intermediate result -- the percentage of survey respondents able to name three environmental problems -- comes from a five-year series of two to three polls per year conducted by CID Gallup. For simplicity of reporting, only September data are reported in the R4 after the baseline of January 1993.

In the September 1997 poll, the results for this indicator were 46% and 38% for male and female respondents, respectively, which is a significant drop from the September 1996 results of 55% and 52%, respectively. A closer examination of all prior year data shows a clear positive trend over the past five years, but with wide swings in results from one poll to the next. In May 1997, for example, the results reached 64% and 62% (male/female). The reason for this wide variance has not yet been clearly determined, but may be the result of the timing of environmental public campaigns throughout the year.

Nonetheless, the mission believes that environmental education activities have had a significant impact on Salvadorans' awareness of environmental problems. This is corroborated by a June 1997 evaluation of the mission's environmental protection activity. The evaluation concluded that environmental education "has been successful in reaching a high percentage of the Salvadoran population with high quality environmental education and communication activities."

Environmental awareness programs targeted at school children have yielded significant results. In the public secondary schools, 87% of all students used their required social-service hours for environmental activities and 77% selected environmental issues for their required graduation seminar. Teachers in 300 model schools nationwide are using new environmental education materials and teacher guides developed by SO activities. More than 100,000 children of all ages entered an environmental poster contest sponsored by a leading newspaper with technical assistance by a USAID-funded NGO. The number of children participating in this contest has tripled each year for the past three years.

At the university level, the SO developed the curriculum and program for a masters' degree in natural resources management in concert with the Central American University. The university took ownership of the program, funded its implementation with its own resources, and initiated classes in February 1998 with 52 candidates matriculated.

Efforts to improve coverage of environmental issues by the media also have had a significant impact. In 1997 alone, national newspapers published 356 substantive articles on the environment and television stations produced 48 programs, largely as a result of standing-room only USAID-sponsored journalist training. Seventy participants, twice last year's total, competed in the third annual National Environmental Journalism Awards. Not only did the number of participants double in the last two years, but the quality of the entries also improved.

In 1997, USAID funded an environmental profile of greater San Salvador in collaboration with 24 municipalities. As a result, 42 influential stakeholders from the private, public, NGO, technical and environmental sectors formed a steering committee. This group criticized, edited and ultimately endorsed the profile. The Ministry of Environment and Natural Resources accepted the profile and presented it to the public for greater analysis, discussion and development of action plan guidelines. The ministry will prepare the final action plan and coordinate its implementation.

Increased Knowledge of Environmentally Sound Technologies and Practices

Environmentally sound technologies and practices result not only from increased awareness, but also from knowledge of how to solve environmental problems. As described above, the environment strategy has succeeded in getting people to understand and use natural resources management technologies and practices in selected areas. The performance indicator for increased knowledge focuses on results in the demonstration watershed which shows 1,553 person days of training for men and 614 person days for women participating in demonstrations, field days and pilots of environmentally sound practices, an increase over 1996 of 83% and 48% respectively.

Four communities in the major metropolitan area of San Salvador are developing action plans to tackle their main environmental problems using knowledge about environmental problems they gained from USAID sponsored training. The environmental profile for the Greater San Salvador Area activity sponsored training events and seminars for 768 men and 402 women from many neighborhoods in which participants learned to identify local sources of contamination as well as ways to resolve the problems.

In December 1997, 90 people paid to attend a four-day seminar, sponsored jointly by USAID and the respected Salvadoran Association of Engineers and Architects, on low-cost wastewater treatment. The seminar brought together for the first time construction industry representatives with officials of local and national governments, NGOs, and donor agencies to better understand and seek solutions to environmental contamination issues.

The role of women in helping solve environmental problems was the topic of another important two-day meeting co-sponsored in March by USAID, the U.N. Development Fund (UNDP), the U.N. Children's Fund (UNICEF) and the Salvadoran Institute for Women in Development. More than 100 women and men from the rural and urban sectors sat at the conference table with policy makers to talk about their environmental concerns. Lack of access to water ranked among the top. Women, especially rural women, said they spend up to four hours a day gathering water. Environmental NGOs showed them ways to build user-friendly water pumps, wood-saving stoves and to use organic fertilizers. Policy makers, on the other hand, listened to the concerns of the participants and said they expected the proposed environmental law would provide some legal and practical solutions.

Expected Progress Through FY 2000 and Management Actions

Significant strides have been made since the new water strategy was approved in October, 1997. The SO has refined the strategy, modified implementation mechanisms and is moving forward with implementation. The results framework and the contributions from other SOs to achieving the results have been refined. The SO team is working with contractors and grantees to ensure that work plans directly contribute to achieving the water SO. The

extended team reviewed the changes to the strategy and identified opportunities for collaboration with USAID's efforts. A new activity will address areas not covered by existing activities. The design of this new rural water activity will be completed by May 1998, with implementation beginning before the end of the fiscal year.

The SO team has identified two results packages to manage and coordinate the activities under this SO. The documentation of these packages, and the related mechanisms for managing this cross-cutting SO, were reviewed and approved by the mission director in February 1998. The first results package focuses on water quality and its distribution while the second concentrates on organizational skills, management and citizen action. The water SO will capitalize on the awareness and knowledge gained from the previous environment SO to identify the water needs of El Salvador's rural areas.

Baseline data for the entire performance monitoring plan are being gathered and analyzed with performance targets expected to be in place by April 1998. With the refinement of the results framework, changes were also made to the indicators. The revised indicators, along with responses to concerns raised in the review of the strategy, are presented in the last section of Part II, "Progress Toward Objectives and Status of Management Contract", of this R4.

During the process of refining the strategy, the SO team expanded the geographic focus of the SO to three major watersheds that overlap with 18 municipalities and approximately 380,000 people. The team expects that by the end of the strategy period 75% of the households in these areas will have access to clean water and that thousands more will benefit from replication in other areas through other USAID, GOES and partner activities.

The following changes were made to the wording of the intermediate results in the framework:

- * The intermediate result, "More organized demand for clean water," is now, "More effective citizen actions to address water issues".
- * The words "and community" were dropped from the intermediate result on water resources management. It now reads: "Improved municipal management of water resources."

With these refinements to the framework and the considerable efforts put into redirecting implementation mechanisms, this new water SO is now on track for demonstrating results.

The Faces of Development

The Ripple Effects of a Small Investment

"There's no way," says Dora Eugenia Gasteazoro with a smile, "that I could have ever done this much for my country without the help of U.S. taxpayers."

Gasteazoro, 34, is not talking about massive U.S. assistance. She is talking about the ripple effects of an environmental seminar USAID invited her to attend in Front Royal, Va. in the fall of 1995. There, she adds, in only two short weeks, she "absorbed like a sponge" all sorts of information, which she has successfully applied in her native El Salvador.

Information like proposal-writing, the use of locally available materials to launch environmental campaigns, fundraising and graphic design. "It was truly an eye-opening experience," she notes and proceeds to show her interviewer a wide range of educational materials she has produced to teach rural Salvadorans about the importance of working with, not against, their surroundings.

Two years after attending the seminar, Gasteazoro heads the office of environmental education and social marketing at the leading Salvadoran environmental organization, SalvaNatura.

Recently, the Government of Spain awarded SalvaNatura \$135,000 to increase its environmental education activities in El Salvador's largest national park, El Imposible. Gasteazoro was instrumental in writing the winning proposal.

Gasteazoro creates extraordinary campaigns, motivating people to contribute to the preservation of her country's dwindling natural resources. One half of SalvaNatura's budget comes from the Salvadoran private sector. The rest is contributed by international environmental organizations interested in working together to protect the earth.

Since 1995, SalvaNatura, with Gasteazoro at the helm, has launched an ambitious educational national campaign to educate about the importance of El Imposible National Park, a tropical forest which is the last refuge for more than 400 rare species in El Salvador. The campaign focuses on training the 30,000 people living around the park to conserve the park's resources.

"It hasn't been easy," she says, remembering how El Imposible was the source of food for the surrounding communities for the more than 15 years before the park was created. Once the park was established, she says, "people were resentful and hated to hear they could no longer hunt, fish or cut trees. But things are changing, slowly, but surely."

PERFORMANCE DATA TABLES

INCREASED USE OF ENVIRONMENTALLY SOUND TECHNOLOGIES AND PRACTICES IN SELECTED FRAGILE AREAS

SO APPROVED JUNE 7, 1996

SO LEVEL RESULTS:

INDICATOR No. 1: Salvadorans Using Natural Resources Management Technologies and Practices in Selected Areas			
<p>UNIT OF MEASURE: Number of families, by technology, per year, cumulative</p> <hr/> <p>SOURCE: Abt Associates September 1997 quarterly report, under table titled, "Summary of Conservation Technology Adoption"</p> <hr/> <p>INDICATOR DESCRIPTION: Number of families in the demonstration area using each of the following technologies and practices:</p> <ul style="list-style-type: none"> 1) live barriers 2) cover crops 3) perennial crops 4) forestry plantations <hr/> <p>COMMENTS: The data at right report the number of families using each technology. Data in previous years attempted to show the number of people using all technologies, but it was not possible to calculate precisely the number of people using more than one. Because the performance targets for 1996 and 1997 also were based on this inexact calculation, the targets have been removed and only documentable increases in the use of individual technologies are tabulated. Data were not gathered on a gender-disaggregated basis.</p>	YEAR	PLANNED	ACTUAL
	1996		1) 156 2) 131 3) 366 4) 147
	1997		1) 339 2) 174 3) 520 4) 160

INDICATOR No. 2: Salvadorans Using Pollution Prevention and Abatement Technologies and Practices in Selected Areas			
UNIT OF MEASURE: Number of families, by technology, per year, cumulative	YEAR	PLANNED	ACTUAL
<hr/> SOURCE: Abt Associates September 1997 quarterly report, under table titled, "Summary of Conservation Technology Adoption" <hr/> INDICATOR DESCRIPTION: Number of families in the demonstration area using each of the following technologies and practices: 1) improved handpumps/covered wells 2) compost latrines 3) pit latrines 4) reduced herbicides 5) integrated pest management 6) improved cook stoves <hr/> COMMENTS: The data at right report the number of families using each technology. Data in previous years attempted to show the total number of people using all technologies, but it was not possible to calculate precisely the number of people using more than one. Because the performance targets for 1996 and 1997 also were based on this inexact calculation, the targets have been removed and only documentable increases in the use of individual technologies are tabulated. Data were not gathered on a gender-disaggregated basis.	1996		1) 116 2) 112 3) 207 4) 45 5) 0 6) 530
	1997		1) 149 2) 157 3) 472 4) 82 5) 64 6) 708

INDICATOR No. 3: Salvadoran Private Enterprises and Communities Using Pollution Prevention and Abatement Technologies and Practices Outside the Demonstration Area			
UNIT OF MEASURE: Number of enterprises/communities per year, cumulative SOURCE: Environment SO and municipal development activity reports INDICATOR DESCRIPTION: COMMENTS: FY 1997 increases show one additional enterprise, a tannery in Barrio San Jacinto in San Salvador, using pollution prevention and abatement technology. The baseline figure for communities (7) represents municipalities that organized and prepared plans for the development of sanitary landfills. Additional municipalities organized and prepared for similar development in 1997, but none of the municipalities, including the original seven, had put their plans into action by the end of 1997. The delay actually was positive since it allowed municipalities to seek partnership with other municipalities to enhance probability of funding.	YEAR	PLANNED	ACTUAL
	1996 (B)		2 / 7
	1997	3 / 9	3 / 0

INTERMEDIATE RESULTS:

INTERMEDIATE RESULT No. 4.1: Increased Awareness and Understanding of the Importance of Environmental Issues			
INDICATOR No. 1: Salvadorans aware and understanding the importance of environmental issues			
<p>UNIT OF MEASURE: Percent of survey respondents, by gender (M/F), per year</p> <hr/> <p>SOURCE: CID Gallup Omnibus polls</p> <hr/> <p>INDICATOR DESCRIPTION: The 1993-1996 data reflect the percentage of respondents who named the environment as a "very serious" problem from a list of problems facing the country. The 1993 data are from a January Gallup poll, while 1994-1997 data are from September Gallup polls. The September 1997 data correspond to the new question detailed below under "COMMENTS."</p> <hr/> <p>COMMENTS: The term "environment" was re-examined in 1997 to determine how best to pose the same question to both rural illiterate Salvadorans as well as urban dwellers. As a result, the September 1997 Gallup poll question was, "In your opinion, do activities related with the protection and conservation of natural resources, such as the forest, water, air, soil, rivers, animals and plants, deserve the attention of your community and at national level?"</p>	YEAR	PLANNED	ACTUAL
	Jan. 1993 (B)		69 / 61
	Sept. 1994	71 / 64	73 / 70
	Sept. 1995	73 / 68	69 / 63
	Sept. 1996	75 / 72	65 / 66
	Sept. 1997	67 / 67	84 / 79

INTERMEDIATE RESULT No. 4.1: Increased Awareness and Understanding of the Importance of Environmental Issues

INDICATOR No. 2: Salvadorans able to name three environmental problems in El Salvador

UNIT OF MEASURE: Percent of survey respondents, by gender (M/F), per year.

SOURCES: CID Gallup Omnibus polls

INDICATOR DESCRIPTION: A customer able to name three or more local or national level environmental activities was considered as aware and understanding of the importance of environmental issues. The 1993 data are from the January Gallup poll, while the 1994-1997 data are from September Gallup polls.

COMMENTS:

* The 1997 responses reported from the September 1997 Poll are slightly lower than the results of the May 1997 poll, which yielded rates of 64 and 62 for men and women, respectively. There is no apparent explanation for the May - September drop, although there have been mid-year fluctuations previously.

YEAR	PLANNED	ACTUAL
Jan. 1993 (B)		15 / 12
Sept. 1994	17 / 14	37 / 28
Sept. 1995	40 / 32	53 / 43
Sept. 1996	44 / 38	55 / 52
Sept. 1997	57 / 54	46 / 38 *

INTERMEDIATE RESULT No. 4.2: Increased Knowledge of Environmentally Sound Technologies and Practices			
INDICATOR No. 1: Salvadorans participating in training, demonstrations, field days, and pilots of environmentally sound technologies and practices			
<p>UNIT OF MEASURE: Person-days of training, calculated by multiplying the number of people attending a course, etc., by the number of days in that course. Data by gender (M/F), per year, cumulative</p> <hr/> <p>SOURCES: Tables under <i>Area Demostrativa</i>, "<i>Informe de Eventos de Capacitación y Reuniones Varias</i>", Abt Associates</p> <hr/> <p>INDICATOR DESCRIPTION: Data represent person-days of participation in training, demonstrations, field days, and pilots of environmentally sound technologies and practices. Attendees were from the demonstration area only.</p> <hr/> <p>COMMENTS: The data at right reflect the total amount of training imparted (in person-days) rather than the number of people trained. The original data attempted to show the total number of people, but those who attended multiple events were impossible to separate from those who attended only one event. Because the original performance targets for 1996 and 1997 also were based on this faulty logic, the targets have been removed and only actual increases in person-days of training are tabulated.</p>	YEAR	PLANNED	ACTUAL
	1996		1,871/ 1,282
	1997		3,424/ 1,896

Lives Saved, Suffering Reduced & Development Potential Reinforced

Special Strategic Objective: Assist El Salvador to Make The Transition From War to Peace

"El Salvador is in the midst of a transition that started with the signing of the Peace Accords and that aims at the full democratization of the country."

Bases para el Plan de Nación, 1998

Performance Summary

The special strategic objective (SSO), which ended in September 1997, played a significant part in ensuring the timely completion of the Peace Accords, focusing not only on the reintegration of ex-combatants and displaced civilians, but also on the reconstruction of social and productive infrastructures in areas most severely damaged during the conflict. It also set the foundation for the mission's present efforts to reduce rural poverty and promote broader-based economic growth.

The SSO not only met, but often exceeded the challenges it set out to achieve in 1992. During the five-year life of this objective, the largest land transfer program in recent history to provide land to ex-combatants of a civil war was fully and successfully completed. At final count, 36,059 eligible ex-combatants and civilians had received title to land. The program also re-established primary social services, repaired infrastructure to improve health and economic reintegration and encouraged civil society participation in democratic institutions. More than 1.1 million people living in ex-conflictive zones benefited from more than 2,900 small-scale infrastructure activities: better roads and greater access to water and electricity. Local government, seriously debilitated during the civil war, was strengthened and citizen participation increased.

The following discussion provides a summary of major accomplishments realized under U.S. assistance to the Salvadoran Peace Accords for the period 1992 through the close-out on September 30, 1997. This is the last time we will be reporting on these indicators.

Relationship to U.S. National Interests

In 1992, the United States pledged its commitment to support the consolidation of peace in El Salvador after 12 years of civil conflict. That commitment was realized through USAID's special strategic objective.

Performance Analysis

Peace is a substantial and integral part of Salvadoran society today. The FMLN transformed itself from an insurgent movement to a powerful political party, sharing control of the legislature with the ARENA party. Over 45% of the population lives in municipalities which the FMLN, alone or in coalition, was elected to govern. Ex-combatants from both sides of the conflict struggle to advance economically, sharing their challenge with a broad segment of Salvadoran society confronting an equally difficult economic environment. Organized civil and military conflict are a thing of the past. In the ex-conflictive zones, as well as in the broader society, potable water, rural roads, electricity, and health and educational services are still in short supply, but they exist in far greater abundance than during the war years.

While the peace in El Salvador is real, so also are the tremendous challenges that face the country. Salvadorans are not loathe to cite the ills that they feel plague Salvadoran society, but few, if any, see the difficult conditions that face the country today as the precursor of renewed civil war tomorrow. The culmination of the Peace Accords ratified for the broad reaches of Salvadoran society the desirability of open political and economic structures as the surest road to sustainable development in the next century.

Factors of Production Reactivated

According to an independent survey, families in the National Reconstruction Program (NRP) saw a 33% increase in their incomes as a result of credit and technical assistance received over a two-year period. The families represent slightly less than three quarters of the SSO's target population.

Similarly, a report prepared for the U.N. Development Program (UNDP), states "...that total household income has risen most dramatically in the eastern department of La Unión and in the former conflictive zones of Chalatenango, Cabañas, San Vicente and Usulután. Morazán, another former conflictive zone, has also experienced a rise in nominal total household income that exceeds the national average..."

Prior to the war, these conflictive areas had historically been among the poorest and least

served by the central government. The geographically focused approach of the NRP has done much to redress this previous lack of government attention and investment. Although still poor, the ex-conflictive areas of the country now compete favorably, or at least on a par, with the other rural areas of El Salvador in terms of economic growth.

Regarding training, more than 107,000 people, ex-combatants and civilians alike, received either training or technical assistance in agriculture and small business development. In 1997, alone, over 6,000 people, 27% of them women, were trained, which is double the target for that year. Contrary to widespread expectations of total failure, over 40% of microenterprises created under the microenterprise program for middle-level officers are still functioning. In addition, over the five years, 93,937 loans were provided to beneficiaries to increase crop production and establish or expand microenterprise businesses during the program life. Despite having already surpassed the cumulative target, in 1997 another 389 loans were provided.

USAID's assistance to the Peace Accords-mandated land transfer program ensured that over 36,000 eligible beneficiaries received title to land individually or in groups. USAID then played a central role in securing the full cancellation of the land transfer program debt and in ensuring that program beneficiaries held their land free and clear of all debt. In addition, in 1997, 1,277 beneficiaries on 29 properties have received individual title under a pilot land parcelling activity which will be continued under SO1 during the life of the strategy period.

Infrastructure Reestablished

1.1 million people living in the NRP zone have benefited from more than 2,900 small-scale infrastructure activities. These infrastructure projects include new and rebuilt schools, health clinics, and potable water systems, improved roads and bridges and hundreds of miles of new rural electrical service.

Democratic Institutions Built and Civic Participation Increased

Over the five-year life of project, the SSO channeled nearly \$100 million in resources through 137 non-governmental organizations (NGOs) to support a wide array of ex-combatant and civilian development activities. The final evaluation of USAID's assistance to the Peace Accords noted, "the use of NGOs as executing institutions greatly facilitated the implementation of the NRP, and was essential for providing access to program services by the target population, a large percentage of which is located in remote, war-torn areas." This assistance to NGOs also strengthened their rural organizational base, improving their advocacy capacity to articulate and act in representation of rural clients.

In addition, the SSO made a significant contribution to building participatory democracy by supporting and promoting 1,378 municipal open town meetings held nationwide with over

175,000 Salvadorans participating.

In 1996, with the approval of the current strategy, this component of the SSO was transferred to the democracy SO activities such as municipal development and citizen participation build on the lessons and successes of this program.

Ex-combatants Reintegrated

In the past five years, SSO assisted in the successful re-insertion of ex-combatants into the mainstream of society through the following activities: more than 21,000 ex-combatants received vocational and academic training while approximately 17,000 received agricultural and microenterprise credit. In total, there were 36,059 ex-combatants and squatters who received land under the land transfer program and about 9,000 people wounded during the war were rehabilitated. In the last year of implementation, the SSO continued to turn out impressive results including rehabilitation services for 1,247 war-wounded.

While the term "reintegration" does not have a universally agreed to definition, what is clear is that this population has now been endowed with a minimum economic resource some housing, access to basic services such as schools and clinics, farm-to-market roads, electricity and water. They are still poor, but no longer impoverished or indigent. Like most of the rural poor of El Salvador, their ability to progress beyond a subsistence level of living will be difficult.

The Faces of Development

The Road to a new life

The Department of Chalatenango, once the center of political conflict in El Salvador, today is an example of what can be achieved when democratic values are seriously embraced by peace-seeking people.

Located in the northeastern part of this small Central American nation, six of Chalatenango's most remote municipalities have shown the rest of the country they can forgo regional pride and forget old differences. They got together and agreed to help build a road to link the most remote communities.

The six Chalatenango communities were, not long ago, ghost towns with only bombed-out buildings standing after the war. The citizens had been either killed or had fled to refugee camps in Honduras. Those who survived became beneficiaries of the 1992 Peace Accords; they were included in the land transfer effort to resettle ex-combatants, but the resettlement occurred very slowly because of the isolation, poor infrastructure and lack of crucial services.

The mayors representing three different political parties, each set out to capture limited reconstruction funds for his own community. In a meeting with the USAID reconstruction office, each mayor promoted his own municipality for the scarce road improvement funds, but USAID explained that the available resources were insufficient for projects in all six communities. In the short term, however, USAID was able to support construction of small bridges, schools and health clinics.

Local NGOs launched a campaign to persuade the mayors to cooperate, emphasizing the need for unity in times of scarcity. Each local authority gave the issue at hand careful thought. It was tempting to fight for their own individual communities; their political futures were at stake.

But, after extensive discussions among themselves, the six mayors returned to USAID and offered to abandon their individual goals. Together, they said they had decided that all road funds be dedicated to the two most needy and most remote communities: Arcatao and San Isidro Labrador. USAID wanted to support the broad-based political unity that had evolved, and was able to find funds for 39 Kilometers of road reconstruction crossing the six municipalities.

Based on the apparent determination and dedication shown by the six mayors to extend roads to the two most remote areas, the Austrian development agency--offered to fund housing and electricity projects in the re-settlement areas.

Two years after the road construction began, six municipalities in Chalatenango, once vacant and secluded, have become lively communities. Arcatao, for example, has three stores, a pharmacy and an agriculture service center. Nearby San Isidro Labrador had only six families a year ago; today 60 families are busy constructing their homes and 50 more wait to follow suit.

Local decision-makers in Chalatenango have found that cooperation, local pride and patriotism can help to better the lives of the people. USAID's post-war reconstruction effort played a vital role in stimulating the creative uses of resources from numerous donors to maximize benefits, particularly for rural communities.

PERFORMANCE DATA TABLES

ASSIST EL SALVADOR TO MAKE THE TRANSITION FROM WAR TO PEACE

SO APPROVED: APRIL 1992

INTERMEDIATE RESULTS:

RESULT No. 1: Factors of Production (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities							
INDICATOR No. 1: People trained (by gender) under National Reconstruction Program (NRP)							
UNIT: People	Year	Planned			Actual		
		Male	Female	Total	Male	Female	Total
SOURCE: NRP Database	1992 (B)	4,000	250	4,250	3,960	600	4,560
INDICATOR DESCRIPTION: Number of people trained (by gender) under NRP.	1993	11,800	3,000	14,800	17,927	2,489	20,416
COMMENTS: To improve results and impact, two program adjustments were made which substantially increased beneficiaries trained: (1) technical assistance/training to bank clients to increase the amount of land in production (see indicator 1.1.4) and (2) micro-enterprise and agricultural credit clients trained to improve credit recuperation rates and to increase income. Through FY1997, nearly 107,000 individuals have received training and/or technical assistance, more than double the cumulative planned figure. Numbers are reported on a fiscal year basis.	1994	15,512	3,317	18,829	29,505	9,822	39,327
	1995	6,533	1,767	8,300	15,715	12,766	28,481
	1996	3,399	1,449	4,848	3,809	5,045	8,854
	1997 (T)	2,148	940	3,088	4,471	1,636	6,107

RESULT No. 1: Factors of Production (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities							
INDICATOR No. 2: Clients receiving credit	Year	Planned			Actual		
		Male	Female	Total	Male	Female	Total
SOURCE: NRP Database	1991 (B)	6,500	900	7,400	6,650	6,200	12,850
INDICATOR DESCRIPTION: Number of NRP loans to beneficiaries.	1992	14,575	2,325	16,900	7,250	450	7,700
COMMENTS: Through FY1997, 94,326 credits were provided to eligible beneficiaries through the NRP, compared to a planned figure of 86,994. Numbers are reported on a fiscal year basis.	1993	19,200	19,200	38,400	20,362	8,798	29,160
	1994	11,320	2,834	14,154	5,180	3,864	9,044
	1995	4,128	3,012	7,140	15,146	6,363	21,509
	1996	2,400	600	3,000	10,473	3,201	13,674
	1997	N/A	N/A	N/A			389

RESULT No. 1: Factors of Production (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities					
INDICATOR No. 3: Beneficiaries with increased income after receiving both training and credit.					
UNIT: Survey respondents, percent	Year	Planned		Actual	
SOURCE: Independent Survey (Daniel Carr and Associates)		Male	Female	Male	Female
INDICATOR DESCRIPTION: Measures change in family income of male and female heads of household. Figures are taken from a random sample of ex-combatant and civilian beneficiaries families representative of all active credit recipients.	1995 (B)	60	70	65	67
COMMENTS: Independent survey (June 1997) found that a majority of the NRP beneficiaries, equivalent to a little less than three quarters, benefited by an increase in family income after receiving credit, and that access to credit improved among two thirds of the beneficiaries. Based on data provided by the respondents on family income before and after receiving credit, on the average, beneficiary family income increased approximately 33% in the two year period since receiving credit, from about US \$140 per month to over US \$180.	1996	65	75	73	71
	1997 (T)	65	75	73	71

RESULT No. 1: Factors of Productions (Land, Labor, Capital) Reactivated to Respond to Economic Opportunities.			
INDICATOR No. 4: Land Bank clients with land in production			
UNIT: Percent of people	Year	Planned	Actual
SOURCE: Coordinating Office for Agrarian Related Issues (OCTA) survey; <i>Tercer Censo Agropecuario de Propiedades Escrituradas por el PTT</i> , San Salvador, April 1997 (pages 22-23)	1993 (B)	100 ^{1/}	25 ^{2/}
INDICATOR DESCRIPTION: Measures percentage of people cultivating land with annual crops, permanent crops, and/or pastures in use, as well as land used for agro-industrial purposes.	1994	50	64
COMMENTS: By the end of January, 1997 all eligible beneficiaries of the Land Transfer Program, (34,600 ex-combatants and squatters) had received title to land. GOES figures indicate approximately 83% of all beneficiaries are using the land productively. Greater investment of resources for infrastructure needs of incipient land transfer communities, coupled with GOES support to divide up collectively titled land modeled on the USAID-funded pilot land parcelization activity to resolve problems of joint title will further increase occupancy rates of these properties and the number of beneficiaries with land in production. 1/ The original target of 100% by 1992 was established by the Peace Accords, without input from the USG. That target was obviously unrealistic; subsequent targets set in March 1994 reflect a more realistic expectation. 2/ Actual figure revised from Action Plan 1994-1995, based on survey results in early 1993. 3/ the first figure was based on initial estimates. The second figure comes from the final report, <i>Tercer Censo Agropecuario de Propiedades Escrituradas por el PTT</i> , San Salvador, April 1997 (pages 22-23)	1995	60	64
	1996	75	80 83.1 ³

INDICATOR No. 1: NRP population served by <i>Municipalidades en Accion</i> infrastructure projects												
UNIT: People, cumulative percent												
SOURCE: MEA Survey										Year	Planned	Actual
INDICATOR DESCRIPTION: This indicator tracks the overall impact of the NRP's most significant "basic services and infrastructure" activity (excluding 519-0320 and <i>Caminos Vecinales</i> road construction projects, which are tracked under indicator 1.2.2), as follows: COMMENTS: This indicator was approved under the FY 1996-1997 Action Plan. As of FY96, and FY 97 "Projects Completed" include the Micro-Projects (MP) and Special Ddevelopment Activities (SDA), which provide up to \$40,000 to community associations for small infrastructure projects primarily.										1992(B)	N/A	N/A
										1993	N/A	70
										1994	N/A	73
PROJECTS COMPLETED												
	1992	1993	1994	1995	1996	MP/96	MP/97	SDA/96	SDA/97			
educational facilities:	246	118	67	27	1	2	4	1	6			
community buildings:	24	20	8	4	7	--	--	--	--			
electrical projects:	91	76	117	49	20	--	2	--	--			
health posts:	47	8	37	21	--	6	9	--	1			
potable water systems:	45	15	20	12	3	5	8	8	8			
roads:	606	375	318	207	16	25	66	21	32			
other:	20	6	5	25	--	2	12	10	6			
	-----	-----	-----	-----	-----	-----	-----	-----	-----			
TOTAL	1079	618	572	345	47	40	101	40	53			
Total number of projects for the five-year period is 2,895. This indicator is tracked on a fiscal year basis.												

RESULT No. 2: Access to Basic Social Services and Infrastructure Reestablished												
INDICATOR No. 2: Roads improved which required rehabilitation in the NRP.												
UNIT: kilometers of road, cumulative percent							Year	Planned	Actual			
SOURCE: Project 519-0320, <i>Municipalidades en Accion</i> , NRP <i>Caminos Vecinales</i> Project, Micro-Projects activity							1992 (B)	N/A	N/A			
INDICATOR DESCRIPTION: "Roads" includes roads, bridges, overpasses, etc. "Improved" means any type of physical improvement as well as extensions, widening, etc.							1993	N/A	10			
COMMENTS: As of September 30, 1997, 2,250 kilometres of roads have been rehabilitated, constituting 25% of the roads (equal to planned target) in the NRP in need of repair. The formerly conflictive zone has a population of 1.4 million, according to 1992 census data. Of this population it is estimated that 95% have benefitted from road improvement over the life of the project. This indicator is tracked on a fiscal year basis.							1994	N/A	17			
							1995	21	20			
							1996	23	24			
							1997 (T)	25	25			

RESULT No. 2: Access to Basic Social Services and Infrastructure Reestablished			
INDICATOR NO. 3: Health facilities assisted and functioning			
UNIT: Health facilities, number	Year	Planned	Actual
SOURCE: Ministry of Health data	1993	N/A	31
INDICATOR DESCRIPTION: Number of health facilities assisted and functioning			
COMMENTS: This activity was completed in 1993.			

RESULT No. 4: Ex-Combatants Reintegrated			
INDICATOR No. 1: Ex-combatants receiving vocational or academic training			
UNIT: Ex-combatants, number	Year	Planned	Actual
SOURCE: NRP database	1992 (B)	N/A	N/A
INDICATOR DESCRIPTION: This indicator measures the number of ex-combatants who have completed their vocational or academic training. The data do not reflect short-term training which was held in the areas of troop concentration immediately after the Peace Accords were signed in 1992.	1993	10,000	11,710
COMMENTS: 431 excombatants continue university degree studies. Their projected program completion date is 1999. * The planned figure for 1997 should not have been included in last year's R4. No new academic or vocational training for ex-combatants was planned for 1997.	1994	6,192	5,071
	1995	2,473	4,519
	1996	432	58
	1997	1331*	N/A

RESULT No. 4: Ex- Combatants Reintegrated			
INDICATOR No. 2: Ex-combatants receiving rehabilitation services			
UNIT: Number of people	Year	Planned	Actual
SOURCE: NRP database	1992 (B)	2,600	1,400
INDICATOR DESCRIPTION: Measures the number of beneficiaries who have received rehabilitation services. Starting in June 1994, the target population includes both ex-combatants and civilian war wounded. Beneficiaries may receive more than one service (e.g., rehabilitation, orthotic care) but are counted only once. These services include: physical and occupational therapy; prosthetic and orthotic care; professional rehabilitation; and specialized medical interventions.	1993	975	1,397
COMMENTS: As of the close of FY 1997 the target had been achieved. More than 9,000 war wounded received rehabilitation services.	1994	1,500	882
	1995	1,800	722
	1996	1,500	3,545
	1997 (T)	N/A	1,247

RESULT No. 4: Ex-Combatants Reintegrated			
INDICATOR No. 3: Ex-combatants receiving credit			
UNIT: Number of ex-combatants	Year	Planned	Actual
SOURCE: NRP database	1993 (B)	N/A	8,085
INDICATOR DESCRIPTION : Indicator measures agricultural and micro-enterprise credit recipients who are ex-combatants.	1994	6,794	2,234
	1995	1,500	4,362
COMMENTS: Target has been exceeded.	1996 (T)	N/A	3,088

RESULT No. 4: Ex-combatants Rreintegrated			
INDICATOR No. 4: Ex-combatants and tenedores receiving land			
UNIT: Number of ex-combatants and tenedores	Year	Planned	Actual
SOURCE: Land Bank, <i>Instituto Salvadoreño de Transformación Agraria</i> (ISTA) and <i>Financiera Nacional de Tierras Agrícolas</i> (FINATA) monthly reports.	1993 (B)	N/A	2,635
INDICATOR DESCRIPTION: Measures number of beneficiaries who have received land. Beneficiaries reported include both FMLN and ESAF ex-combatants and <i>tenedores</i> (squatters) who have received land from the Land Bank, ISTA and FINATA. Tenedores are included because they are an important population group served by the Land Transfer Program. "Actual" figures report USAID-funded beneficiaries only.	1994	7,200	8,621
COMMENTS: As of October 1, 1997, 36,059 beneficiaries have received land (USAID: 22,476; European Union: 2,065; GOES/Others: 11,518).	1995	7,200	6,310
	1996	3,600	4,184
	1997	N/A	726

Environmental Compliance

All mission-funded activities operate under approved initial environmental examinations (IEEs) or environmental assessments where required. Three IEEs for the democracy SO are pending issuance of IEE numbers or approval. One new activity description 519-0430 Sustainable Improvements in Health of Women and Children is pending approval by USAID/W. The 519-0443 Rural Water Protection activity is currently in design with an IEE being prepared. Centrally funded activities which form part of currently active results packages were also reviewed and, where available, appropriate documentation recorded.

Status of Management Contract

With the exception of refinements to the new water SO, there are no major modifications to USAID/El Salvador's strategy and the management contract.

In October 1997, the Assistant Administrator for Latin America and the Caribbean approved the new water strategy which replaces the mission's environment strategic objective. The approval cable identified areas for which additional information was required. Subsequently, the mission improved the wording of the intermediate results and refined the indicators to be monitored. The revised indicators and responses to questions raised in the DAEC review are contained in an annex to this R4. The changes to the intermediate results are as follows:

- * The intermediate result, "More organized demand for clean water," is now, "More effective citizen actions to address water issues."
- * The words "and community" were dropped from the intermediate result on water resources management. It now reads: "Improved municipal management of water resources."

In September 1997, the mission completed its special objective in support of the transition from war to peace. Ongoing activities related to land parcelization infrastructure and training were transferred to the economic growth SO.

Indicator adjustments have also been made to the democracy SO and the health SO, reflecting concerns raised in last year's R4 review. These refinements have been coordinated through or assisted by virtual team members in this Bureau and Global.

Water Strategic Objective Response to DAEC Review

The USAID/El Salvador water strategy and results framework Development Assistance Executive Committee (DAEC) review, chaired by Deputy Assistance Administrator Bureau for Latin America and the Caribbean George Wachtenheim, was held on October 7, 1997. Representatives of the Global Bureau and all appropriate LAC Bureau offices participated in the review, which resulted in bureau approval of the strategy subject to certain clarifications to be presented in the R4. The concerns about the national impact of the strategy, setting a policy agenda with the Government of El Salvador (GOES), sustainability, and the contributions of other donors, which were raised in the DAEC cable, STATE 211748 of November 8, 1997, are all addressed below.

Three sets of tables are also attached which give details of the proposed actions in the Policy Matrix, contributions the other donors are making in the water sector, and the upper level indicators for the new water strategy. The policy matrix, in particular, reflects actions to be taken in the water sector, as well as complementary policy and legislation for forestry, agriculture, land use, environmental contamination and energy. The second table shows how the actions of other donors work nationally, and in the environmental strategic objective's target areas, to achieve the water strategic objective. The third table includes the performance data tables for the water SO with baselines and targets set by the results package teams in April.

A. National Impact

The water strategy impacts on three important watersheds that transcend the boundaries of 18 municipalities. While access to clean water by rural households in these specific municipalities is critical, approaches used there can be replicated in other parts of the country. A policy focus on devolving centralized water authority to the municipal level, coupled with implementation of water related actions at the community level through the activities of other strategic objectives, makes the strategy both national in scope and local in practice. Because of its replicability and the fact that it targets key watersheds that encompass 18 municipalities, the water strategy has the potential for leveraging funds from various development partners, especially the Inter-American Development Bank (IDB).

The mission expects 75% of the 380,000 people living in the 18 municipalities will have access to clean water by the end of the strategy period, with thousands more benefiting through replication of USAID, GOES and development-partner activities in other parts of the country. The national impact will be tracked by the annual national Multipurpose Household Survey conducted by the GOES.

B. Policy Agenda

It is anticipated that the creation of the National Commission for the Water Resource (CONRA) and the accompanying regulatory body will provide the national policy context required to support the mission's decentralization of water activities and its focus on key watersheds.

The attached matrix delineates the range of key policy changes, by sector, that will best support the success of the water strategy. The most important of these policies are those dealing directly with the water sector, particularly those that devolve control of water resources to the local level. While policies and ordinances related to the water sector will make major contributions to the water strategy, policy changes in other sectors such as forestry and agriculture will enhance its success even further.

By the next R4 reporting cycle key water policies and legislation should be formulated. At the municipal level, they should provide critical input to the national effort to formulate the National Water Resources Policy. Bringing local-level water problem solutions to bear on the formulation of this policy will both enrich strategic objective activities and make them more sustainable because of extensive local participation.

The matrix underscores the critical role that USAID's key partner in the policy arena, the IDB, plays in effecting policy changes at the national level and emphasizes USAID's complementary work at the municipal and community levels. In organizational meetings with USAID, the IDB has agreed that USAID's policy analysis support at the municipal level and its role in facilitating the linkages to the national level will encourage a flow of information between national and local decision makers. This is expected to ensure that national policies and legislation reflect local realities. USAID will continue to provide short-term technical assistance and take other actions to advance the policy process at the national level to fill the gaps complementing the initiation of various IDB policy activities. The water strategy expects that various non-water sectoral policy changes, shown on the second page of the table, will be proceed over the course of its implementation, until the year 2002.

The GOES has signaled its support for the water strategy through a letter from the Ministry of Environment and Natural Resources expressing explicit agreement with USAID's approach to the environment, particularly in the water sector. This support echoes the GOES five-year plan (1994-1999) that established specific objectives in the water and sanitation sectors. These objectives, including the following, mirror USAID's water strategy: improving water quality; rehabilitating and expanding existing water and sanitation services; decentralizing service provision and administration; and using available water resources more efficiently. The Ministry of Environment and Natural Resources, along with the IDB and other development partners, also played a key role in formulating the policy matrix. The Ministry's participation in this matrix, together with letters of support and the GOES' five-year plan, clearly demonstrate GOES endorsement of the USAID approach.

The policy agenda is being advanced, in part, by IDB conditionality that ties investments, such as a \$55 million loan for decentralizing the water sector and providing community water systems, to the passage of key policy legislation, i.e. CONRA and the accompanying regulatory body. The loan will finance technical assistance to decentralize the national water distribution authority, National Administration for Aqueducts and Sewage (ANDA), create a multi-sectoral water regulatory body, and install or rehabilitate community water systems. A large component will concentrate on improving the infrastructure in the water sector. The IDB loan for the reform of the national water sector and the formulation of the regulatory framework for the potable water and sewage sub-sector is expected to be approved in April of 1998, submitted to the National Assembly in May and implementation starting in July for two years.

C. Sustainability

The water strategy is designed explicitly to be both sustainable and replicable. Sustainability is assured by: 1) protecting upstream watersheds from contamination and for infiltration of rainwater, 2) covering cost for water systems through user fees, 3) improving municipal management of water resources by training personnel and promoting local ordinances, and 4) encouraging the IDB and other development partners to replicate USAID's proven local participation methods. The net effect of all these interventions will be that municipalities will have control of their water resources and be able to increase access of their citizens to clean water, all through the actions of USAID's water strategic objective.

D. Contributions of other donors

The attached table shows other donor contributions in the water sector nationally, and in the 18 municipalities where USAID is concentrating its efforts. The total funding from other donors nationally for water related projects totals more than \$100 million. A significant portion of the total will be devoted to actions in USAID's target municipalities.

Other Partners Support for the Water SO

PARTNER	ACTIVITY DESCRIPTION	LOCATION	SO4 OVERLAP	NUMBER OF CUSTOMERS	FUNDING (if Available)
InterAmerican Development Bank	<p>Agroforestry activities for watershed protection conducted with El Salvador Environment Program (PAES). Additional \$10 million for incentives, to be administered by Environment Fund for El Salvador (FONAES).</p> <p>Supporting national policy to decentralize and transfer management responsibilities for water delivery systems to municipalities or companies. Of \$55 million loan, \$5-7Million is for rural water, other amounts apportioned to decontamination, and modernization to include improving ANDA systems in major metropolitan centers of San Salvador, Santa Ana and San Miguel. Some activities may overlap geographically with Water Strategy.</p>	<p>Upper Lempa</p> <p>National</p>	<p>Indirect</p> <p>Yes</p>		<p>\$22M + \$10M for Incentives</p> <p>\$55M loan of which \$5-\$7M is for rural water systems.</p>
UNICEF	Water Supply, Environmental Sanitation, Hygiene Education and Training.	Cabañas, San Vicente Usulután: Alegria, Berlín, California, Jiquilisco, Puerto El Triunfo, San Agustín, San Dionisio, San Francisco Javier, Santiago de María y Tecapán.	Yes		\$4.0 million
Japan International Cooperative Agency (JICA)	\$16 million grant for a 4-year period in 3 phases. Phase I - purchase of equipment for wells drilling; Phase II - construction of 92 rural aqueducts in locations at right; Phase III - ANDA will provide \$65 million in counterpart funds to execute 72 additional water systems.	Metapán San Dionisio Tecuolca Jiquilisco	no Yes no Yes	18,000 households	\$16 million grant; \$7.4 million counterpart
German Technical Cooperative Assistance (GTZ)	<p>1. Integrated Pest Management (pesticide) project.</p> <p>Support to National Center for Agriculture and Forestry Technology) for 20 agriculture extension agents to improve the technology transfer and avoid the high use of highly toxic pesticides.</p> <p>2. Household pesticide safe management project with the Ministry of Health. 600 health promoters training to provide technical assistance to rural communities in the four eastern region departments.</p> <p>Consulting of potable water systems handled by the municipalities. This includes infrastructure aspects and civic organization and participation.</p>	<p>National</p> <p>Usulután San Miguel, Morazán La Union</p> <p>12 municipalities nationwide</p>	<p>Yes</p> <p>Yes</p> <p>San Agustín</p>	300 farmers	
Pan American Health Organization	<p>1. PROAGUA, a project funded by Sweden, aims to protect water resources via 5 components: a) training of trainers; b) water resources protection; c) institutional strengthening (provision of equipment); d) provision of <i>puriagua</i>, a water purification device use in each household; and e) provision of DIPSEL (a device that purifies community water) to municipalities and hospitals.</p> <p>2) waste water treatment plant (Design).</p>	<p>Nationwide</p> <p>Puerto El Triunfo</p>	<p>Yes</p> <p>Yes</p>		\$0.670 million

PARTNER	ACTIVITY DESCRIPTION	LOCATION	SO4 OVERLAP	NUMBER OF CUSTOMERS	FUNDING if available)
European Union	Rural Hygiene-Provide basic infrastructure, health education, rehabilitation of 400 hand pump wells (most of these are from USAID 0320), latrines and sanitation. The project runs 1995 through 2000.	41 municipalities in western El Salvador.	Yes	70,000 people	
Enterprise For The Americas Initiative Environmental Fund (FIAES) of El Salvador, Western Management Office.	1. Reforestation and soil conservation for watershed protection.	San Francisco Menéndez	Yes		\$ 0.036 million
		Usulután, Mercedes Umaña, Berlín, San Francisco Javier, Jiquilisco.	Yes		1.0 million
		Corinto	Yes		0.167 million
Peace Corps	24 Peace Corp Volunteers are working nationwide in agroforestry and 29 are working directly with the towns in the areas of soil conservation and pest management control. The objective is to help communities to avoid the contamination of watersheds. Volunteers also are working in potable water activities and sanitation in order to improve community health through the use of latrines and water pumps. They advocate this, in part, through environmental education and a waste water management project.	nationwide	PCVs work in five of the 18 target municipalities 1. San Francisco Menéndez 2. Guaymango 3. Tecapán 4. Berlín 5. Corinto		
ANDA/ TETRALOGIA	Decentralization of potable water systems.	6 municipalities	Mercedes Umaña, Berlín, Alegría, Santiago de María, Tecapán, California	2,500 households	\$1.0 million ANDA \$1.3million FISDL
Ministry of Agriculture and Livestock/Appropriate Technology Center.	Presently at national level with training functions on appropriate technologies.	Usulután (technology dev't center)	Yes		
		Mercedes Umaña (1 agency)	Yes		
National Civil Police, Environment Division.	Regulation development and support.	San Salvador (headquarters) and 8 branches throughout El Salvador.	3 branches: San Francisco Menéndez; Puerto El Triunfo; Nancuchiname (Jiquilisco)		

Policy Matrix for Implementing the Water Strategic Objective Effectively

Sector	Policy Instrument	Type	Lead	Other Players	Timeframe
Water	National Environmental Framework Law	Nat'l Lgsl.	USAID	IDB	passed 03/98
	National Water Authority Law (CONRA)	Nat'l Lgsl.	IDB		04/98
	a) National Hydrological Balance	Nat'l Lgsl.	IDB	USAID (local linkage)	03/98-03/00
	b) National Water Resources Policy (watershed authorities)	Nat'l Policy	IDB	USAID (local linkage)	03/98-03/00
	c) National Water Law	Nat'l Lgsl.	IDB	USAID (local linkage)	03/98-03/00
	d) Critical Watershed Designation Law (local ordinances)	Local Lgsl.	USAID	IDB (nat'l linkage)	02/98-03/99
	Aqueducts and Waste Water Sub-Sectors Law	Nat'l Lgsl.	IDB		04/98
	a) Waste Water Policy	Nat'l Policy	IDB	USAID (local linkage)	03/98-03/00
	b) Potable & Waste Water Legislation	Nat'l Lgsl.	IDB	USAID (local linkage)	03/98-03/00
	c) Water Quality Control Regulation (polluter pays)	Nat'l Regs.	IDB	USAID (local linkage)	03/98-03/00
	d) Waste Water Regulations	Nat'l Regs.	IDB	USAID (local linkage)	03/98-03/00
	e) Water Rights & Concessions Regulations	Nat'l Regs.	IDB	USAID (local linkage)	03/98-03/00

Note: This table shows the key policy and legislative actions which will facilitate achievement of USAID's new Water Strategic Objective. Since the focus of USAID's strategy is increased access to clean water in rural areas, USAID's principal actions will be at the municipal level as designated by (local linkage) in the table. Local level ordinances and analysis will inform the national legislative process, but slow progress or lack of national action will not inhibit USAID's water program at the local level. Progress at the national level, however, will enhance and facilitate USAID's actions at the local level.

Sector	Policy Instrument	Type	Lead Agency	Other Players	Timeframe
Forest	Forest Policy	Nat'l Policy	USAID		04/98
	a) Forest Regulations	Nat'l Regs	USAID		02/98-05/98
Agriculture	Soil Use and Conservation Policy	Nat'l Policy	IDB/Environment Program of El Salvador	USAID (local linkage)	Non-existent
	Agriculture Policies Supporting Crop Diversification	Nat'l Policy	To be determined		Non-existent
	Integrated Pest Management Policy	Nat'l Policy	To be determined	USAID (local linkage)	Non-existent
	Policies that Promote Organic Agriculture Production	Nat'l Policy	To be determined		Non-existent
Territorial	Land Use Planning Policy	Nat'l Policy	Organization of American States	JICA	Non-existent
	Land Use Planning Legislation		Organization of American States	USAID (local linkage)	pending
Environmental	Solid Waste Policy	Nat'l Policy	IDB	USAID (local linkage)	08/98
	Solid Waste Legislation and Regulations		IDB	USAID (local linkage)	08/98
Energy	Energy Policy	Nat'l Policy	To be determined		Non-existent
Economic	Poverty Alleviation Policies	Nat'l Policy	To be determined		Official GOES

PERFORMANCE DATA TABLES

INCREASED ACCESS BY RURAL HOUSEHOLDS TO CLEAN WATER

SO APPROVED OCTOBER 7, 1997

SO LEVEL RESULTS:

INDICATOR No. 1 : Rural households in target areas with water that meets quality and time standards.			
<p>UNIT OF MEASURE: Percent of households that meet both quality and time standards, cumulative, per year, by male-and female-headed households (M/F)</p> <hr/> <p>SOURCE: Academy for Education Development (AED) annual survey, question Nos. 10, 15.3, 15.4, 27, 31, 36, 40</p> <hr/> <p>INDICATOR DESCRIPTION: All households in target areas, whether in municipalities or cantons, are considered rural by SO4. Households must meet both quality and time standards to count as progress against this indicator. Households with piped water are defined as meeting both time and quality standards. Households with non-piped water are defined as meeting the quality standard if water is treated by the household. Households with non-piped water meet the time standard if it takes one hour or less to meet household needs.</p> <p>The male/female disaggregation is determined by question No. 6 of the AED survey: "Who sustains (financially) the family in your home: father, mother, father/mother, son/daughter, everyone, other?" The data at right represent two categories derived from this list:</p> <ol style="list-style-type: none"> 1. sustained by father, father and mother, or father and son (M) 2. sustained by mother, son, everyone, or other (F) <hr/> <p>COMMENTS: This indicator is measured for the 18 target municipalities.</p> <p>Performance targets will be established by April 30, 1998.</p>	YEAR	PLANNED	ACTUAL
	1997 (B)		M: 38.9 F: 36.7
	1998 (T)		
	1999 (T)		
	2000 (T)		
	2001 (T)		
	2002 (T)		

INDICATOR No. 2 : Rural households nationally with water that meets quality and time standards.

UNIT OF MEASURE: Percent of households that meet both time and quality standards, cumulative, per year, by male-, and female-headed households (M/F)

SOURCE: Multi-Purpose Household Survey data on page 182 of the 1996 survey

INDICATOR DESCRIPTION: Baseline data count only households with access to piped water, including public taps. These households are defined as meeting both time and quality standards. Households with non-piped water (not included in baseline data but included in targets) are defined as meeting the quality standard if water is treated by the household. Households with non-piped water meet the time standard if it takes one hour or less to meet household needs.

COMMENTS: See pages 1-4 of the 1996 Multi-Purpose Household Survey for the definition of rural at the national level.

Performance targets will be established by April 30, 1998.

YEAR	PLANNED	ACTUAL 02/10/98
1996(B)		M: 40.7 F: 37.5
1998 (T)		
1999 (T)		
2000 (T)		
2001 (T)		
2002 (T)		

INTERMEDIATE RESULTS:

RESULT No. 4.1: Improved Quality of Water Sources			
INDICATOR No. 1: Quantity of primary pollutants diverted from contaminating water			
UNIT OF MEASURE: Quantity in tons/liters, cumulative, per year.	YEAR	PLANNED	ACTUAL
SOURCE: TBD	1997 (B)		1. 0 2. 0 3. 0 4. 0 5. 0 6. 0
INDICATOR DESCRIPTION: Tons/liters/gallons of pollutants diverted from water sources through adoption of environmentally sound agricultural, municipal and industrial practices. 1. soil/tons 2. pesticides/liters 3. fertilizer/tons 4. solid waste/tons 5. sewage/gallons 6. industrial effluents/gallons	1998 (T)	1. 2. 3. 4. 5. 6.	1. 2. 3. 4. 5. 6.
COMMENTS: A formula will be developed for each pollutant to determine how the extent of adoption of improved practices translates into the amount of pollutants not entering water sources. For instance, for each farmer who adopts organic growing methods, how many tons of chemical-laden fertilizer is he or she not putting into the system? This indicator is measured for the 18 target municipalities. Performance targets will be established by April 30, 1998.	1999 (T)	1. 2. 3. 4. 5. 6.	1. 2. 3. 4. 5. 6.
	2000 (T)	1. 2. 3. 4. 5. 6.	1. 2. 3. 4. 5. 6.
	2001 (T)	1. 2. 3. 4. 5. 6.	1. 2. 3. 4. 5. 6.
	2002 (T)	1. 2. 3. 4. 5. 6.	1. 2. 3. 4. 5. 6.

RESULT No. 4.2: Improved Performance of Water Delivery Systems			
INDICATOR No. 1: Water delivery systems that meet flow standards			
<p>UNIT OF MEASURE: Number and percent of systems, cumulative, per year.</p> <hr/> <p>SOURCE: Activities No. 519-0388, No. 519-0320, and Small Infrastructure Activities and the annual AED survey</p> <hr/> <p>INDICATOR DESCRIPTION: The flow standard is defined as at least 300 liters per connection per day.</p> <hr/> <p>COMMENTS: This indicator is measured for the 18 target municipalities. Although the total number of systems in the 18 municipalities is known, only flow data for systems administered by ANDA are currently available. The baseline percentage is expected to increase, therefore, and will be adjusted appropriately as flow data for the remaining systems are collected during 1998. Performance targets will be established by April 30, 1998, once the flow standards for the remaining systems are tabulated.</p> <p>For reference, the total number of systems in the 18 municipalities is 91.</p>	YEAR	PLANNED	ACTUAL
	1997 (B)		8 / 8.8%
	1998 (T)		
	1999 (T)		
	2000 (T)		
	2001 (T)		
	2002 (T)		

RESULT No. 4.3: More Effective Citizen Actions to Address Water Issues			
INDICATOR No. 1: Water-related changes resulting from citizen-group actions			
UNIT OF MEASURE: Number of changes, cumulative, per year. <hr/> SOURCE: Activity No. 519-0388 reports for the 11 municipalities and the AED annual survey "Municipal Characterization" for the remaining seven municipalities <hr/> INDICATOR DESCRIPTION: Changes made as a direct result of citizen group efforts to resolve water issues. Actions taken by citizen groups include, but are not limited to: formation of pro-water groups (NGOs); technical and/or financial support obtained by water groups; creation, expansion and/or rehabilitation of delivery systems; pollution prevention; conflict resolution; and other pro-clean water actions. <hr/> COMMENTS: This indicator is measured for the 18 target municipalities. Performance targets will be established by April 30, 1998.	YEAR	PLANNED	ACTUAL
	1997 (B)		43
	1998 (T)		
	1999 (T)		
	2000 (T)		
	2001 (T)		
	2002 (T)		

RESULT No. 4.4: Improved Municipal Management of Water Resources			
INDICATOR No. 1: Water-related ordinances passed			
UNIT OF MEASURE: Number of ordinances, cumulative, per year SOURCE: Activity No. 519-0388 reports for the 11 municipalities and the AED annual survey Municipal Characterization for the remaining seven municipalities INDICATOR DESCRIPTION: COMMENTS: The indicator is measured for the 18 target municipalities. Performance targets will be established by April 30, 1998.	YEAR	PLANNED	ACTUAL
	1997 (B)		0
	1998 (T)		
	1999 (T)		
	2000 (T)		
	2001 (T)		
	2002 (T)		

RESULT No. 4.4: Improved Municipal Management of Water Resources			
INDICATOR No. 2: Resources invested in water-related projects			
<p>UNIT OF MEASURE: Percentage of municipal budgets spent on water-related activities, non-cumulative, per year.</p> <hr/> <p>SOURCE: Activity No. 519-0388 reports for the 11 municipalities and the AED annual survey Municipal Characterization for the remaining seven municipalities</p> <hr/> <p>INDICATOR DESCRIPTION: The data reported represent the percent of the sum of all budgets for the 18 municipalities. SO4 records, however, track percentages for individual municipalities as well. Projects might include, but are not limited to: water-delivery systems, solid-waste disposal, wastewater treatment, pollution prevention, watershed management, water purification</p> <hr/> <p>COMMENTS: The indicator is measured for the 18 target municipalities. Data for this indicator is not available currently because of the weak budgeting and bookkeeping in the municipalities. Baseline budget data will be collected and 1999 performance targets established as budgeting and bookkeeping practices improve during 1998 because of SO4 interventions.</p> <p>Performance targets will be established by April 30, 1998.</p>	YEAR	PLANNED	ACTUAL
	1997 (B)		Not available
	1998 (T)		
	1999 (T)		
	2000 (T)		
	2001 (T)		
	2002 (T)		

PART III

Resources Request

Financial Plan

In the tables that follow, USAID/El Salvador presents its resource request for FY 1998 through FY 2000 based on control levels provided by the LAC Bureau. These levels are in line with the mission's needs for achieving the results projected through 2000 for each of the strategic objectives.

As requested in the LAC Bureau guidance, the mission will also prepare a threshold analysis for each SO prior to the R4 review. The mission believes that the threshold analysis to be submitted in time for the R4 review will support the mission's budget request and demonstrate that no significant cuts in the projected budget levels can be sustained without a consequent scaling back on targets or dropping of intermediate results.

USAID FY 2000 BUDGET REQUEST BY PROGRAM/COUNTRY

04-Aug-98
02:23 PMCountry/Program: El Salvador
Scenario: Base Level

S.O. # , Title	Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 99	Estimated Total	FY 2000										Est. Expend. FY 00	Est. Total Cost life of SO	Future Cost (POST 2000)	Year of Final Oblig.
					Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G				
SO 1 Expanded access and economic opportunity for rural families in poverty																		
	DA	Bilateral Field Spt	10,672	14,600 0	3,500	2,260	7,240						1,600		15,753	73,362	30,000	FY 2002
		Total	10,672	14,600	3,500	2,260	7,240	0	0	0	0	0	1,600	0			30,000	
SO 2 More inclusive and effective democratic processes																		
	DA	Bilateral Field Spt	2,500	5,000 0										5,000	5,554	24,164	10,000	FY 2002
		Total	2,500	5,000	0	0	0	0	0	0	0	0	0	5,000			10,000	
SO 3 Sustainable improvements in health of women and children																		
	DA	Bilateral Field Spt	7,234 1,822	10,445 1,450				3,650 350	6,145 500	0 500	150 100	500			10,305 2,277	58,069	23,707 0	FY 2002
		Total	9,056	11,895	0	0	0	4,000	6,645	500	250	500	0	0	12,582		23,707	
SO 4 Increased access by rural households to clean water																		
	DA	Bilateral Field Spt	1,758	3,400 0									3,400		4,046	18,045	8,000	FY 2002
		Total	1,758	3,400	0	0	0	0	0	0	0	0	3,400	0			8,000	
SO 2 More inclusive and effective democratic processes																		
	ESF	Bilateral Field Spt	1,000	2,000 0										2,000	2,000	9,000	4,000	FY 2002
		Total	1,000	2,000	0	0	0	0	0	0	0	0	0	2,000			4,000	
		Bilateral Field Spt		0 0													0	
		Total	0	0	0	0	0	0	0	0	0	0	0	0			0	
		Bilateral Field Spt		0 0													0	
		Total	0	0	0	0	0	0	0	0	0	0	0	0			0	
		Bilateral Field Spt		0 0 0													0	
		Total	0	0	0	0	0	0	0	0	0	0	0	0			0	
Total Bilateral			23,164	35,445	3,500		7,240	3,650	6,145		150	500	5,000	7,000			75,707	
Total Field Support			1,822	1,450	0		0	350	500		100	0	0	0				
TOTAL PROGRAM			24,986	36,895	3,500		7,240	4,000	6,645		250	500	5,000	7,000				

FY 2000 Request Sector Totals -- DA				
Econ Growth		11,700		
[Of which Microenterpris		3,500		
HCD		1,300		
PHN		11,895		
Environment		5,000		
[Of which Biodiversity]		0		
Democracy		5,000		
Humanitarian		0		

FY 2000 Request Sector Totals -- ESF				
Econ Growth		0		
[Of which Microenterprise		0		
HCD		0		
PHN		0		
Environment		0		
[Of which Biodiversity]		0		
Democracy		2,000		
Humanitarian		0		

FY 2001 Target Program Level	37,895
FY 2002 Target Program Level	37,895
FY 2003 Target Program Level	37,895

USAID FY 1999 Budget Request by Program/Country

04-Aug-98
02:23 PMCountry/Program: El Salvador
Scenario: Base Level

S.O. # , Title	FY 1999															Future Cost (POST 2000)	Year of Final Oblig.	
	Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 98	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 99			Est. Total Cost life of SO
SO 1 Expanded access and economic opportunity for rural families in poverty																		
	DA	Bilateral Field Spt	11,508	13,590	3,300	2,880	6,010						1,400		14,426	73,362	30,000	FY 2002
		Total	11,508	13,590	3,300	2,880	6,010	0	0	0	0	0	1,400	0			30,000	
SO 2 More inclusive and effective democratic processes																		
	DA	Bilateral Field Spt	3,162	4,214										4,214	4,876	24,164	10,000	FY 2002
		Total	3,162	4,214	0	0	0	0	0	0	0	0	0	4,214			10,000	
SO 3 Sustainable improvements in health of women and children																		
	DA	Bilateral Field Spt	11,701	8,228				1,900	6,178	0	150				12,695	58,069	23,707	FY 2002
			2,357	2,050				900	550	500	100				2,585		0	
		Total	14,058	10,278	0	0	0	2,800	6,728	500	250	0	0	0	15,280		23,707	
SO 4 Increased access by rural households to clean water																		
	DA	Bilateral Field Spt	3,359	3,245									3,245		4,846	18,045	8,000	FY 2002
		Total	3,359	3,245	0	0	0	0	0	0	0	0	3,245	0			8,000	
SO 1 Expanded access and economic opportunity for rural families in poverty																		
	ESF	Bilateral Field Spt	847	0											847	0	0	FY 1997
		Total	847	0	0	0	0	0	0	0	0	0	0	0			0	
SO 2 More inclusive and effective democratic processes																		
	ESF	Bilateral Field Spt	1,766	2,000										2,000	2,766	9,000	4,000	FY 2002
		Total	1,766	2,000	0	0	0	0	0	0	0	0	0	2,000			4,000	
		Bilateral Field Spt		0														
		Total	0	0	0	0	0	0	0	0	0	0	0	0			0	
		Bilateral Field Spt		0														
		Total	0	0	0	0	0	0	0	0	0	0	0	0			0	
Total Bilateral			32,343	31,277	3,300		6,010	1,900	6,178		150	0	4,645	6,214				
Total Field Support			2,357	2,050	0		0	900	550		100	0	0	0				
TOTAL PROGRAM			34,700	33,327	3,300		6,010	2,800	6,728		250	0	4,645	6,214			75,707	

FY 1999 Request Sector Totals -- DA	
Econ Growth	11,157
[Of which Microenterpris	2,990
HCD	1,033
PHN	10,278
Environment	4,645
[Of which Biodiversity]	0
Democracy	4,214
Humanitarian	0

FY 1999 Request Sector Totals -- ESF	
Econ Growth	0
[Of which Microenterprise	0
HCD	0
PHN	0
Environment	0
[Of which Biodiversity]	0
Democracy	2,000
Humanitarian	0

FY 2001 Target Program Level	37,895
FY 2002 Target Program Level	37,895
FY 2003 Target Program Level	37,895

USAID FY 1998 Budget Request by Program/Country

04-Aug-98
02:23 PMCountry/Program: El Salvador
Scenario: Base Level

S.O. # , Title		Bilateral/ ield Support	Est. SO Pipeline End of FY 97	Estimated Total	FY 1998										Est. Expend. FY 98	Est. Total Cost life of SO	Future Cost (POST 2000)	Year of Final Oblig.
Approp. Acct					Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G				
SO 1 Expanded access and economic opportunity for rural families in poverty																		
DA	Bilateral Field Spt	13,715	15,122 50	3,970	2,298	6,334 50					2,520		17,329 50	73,362	30,000	FY 2002		
	Total	13,715	15,172	3,970	2,298	6,384	0	0	0	0	2,520	0	17,379		30,000			
SO 2 More inclusive and effective democratic processes																		
DA	Bilateral Field Spt	3,173	4,950 0								150	4,800	4,961	24,164	10,000	FY 2002		
	Total	3,173	4,950	0	0	0	0	0	0	0	150	4,800			10,000			
SO 3 Sustainable improvements in health of women and children																		
DA	Bilateral Field Spt	15,758 400	8,774 3,332				3,430 1,765	3,650 550	0 917	160 100	1,534		12,831 1,375	58,069	23,707 0	FY 2002		
	Total	16,158	12,106	0	0	0	5,195	4,200	917	260	1,534	0	14,206		23,707			
SO 4 Increased access by rural households to clean water																		
DA	Bilateral Field Spt	4,749	3,400 0								3,400		4,790	18,045	8,000	FY 2002		
	Total	4,749	3,400	0	0	0	0	0	0	0	3,400	0			8,000			
SO 1 Expanded access and economic opportunity for rural families in poverty																		
ESF	Bilateral Field Spt	15,239	0 0										14,392	0	0	FY 1997		
	Total	15,239	0	0		0	0	0		0	0	0			0			
SO 2 More inclusive and effective democratic processes																		
ESF	Bilateral Field Spt	3,852	1,000 0									1,000	3,086	9,000	4,000	FY 2002		
	Total	3,852	1,000	0	0	0	0	0		0	0	0	1,000		4,000			
SPO Assist El Salvador to make the transition from war to peace																		
ESF	Bilateral Field Spt	3,250	0 0										3,250	0	0	FY 1996		
	Total	3,250	0	0	0	0	0	0		0	0	0			0			
	Bilateral Field Spt		0 0															
	Total	0	0	0		0	0	0		0	0	0	0		0			
Total Bilateral			59,736	33,246	3,970		6,334	3,430	3,650		160	1,534	6,070	5,800				
Total Field Support			400	3,382	0		50	1,765	550		100	0	0	0				
TOTAL PROGRAM			60,136	36,628	3,970		6,384	5,195	4,200		260	1,534	6,070	5,800		75,707		

FY 1998 Request Sector Totals -- DA		
Econ Growth	11,652	
[Of which Microenterpris	3,750	
HCD	1,000	
PHN	12,106	
Environment	6,070	
[Of which Biodiversity]	[]	
Democracy	4,800	
Humanitarian	0	

FY 1998 Request Sector Totals -- ESF		
Econ Growth	0	
[Of which Microenterpris	[]	
HCD	0	
PHN	0	
Environment	0	
[Of which Biodiversity]	[]	
Democracy	1,000	
Humanitarian	0	

FY 2001 Target Program Level	37,895
FY 2002 Target Program Level	37,895
FY 2003 Target Program Level	37,895

Prioritization of Objectives

The following is a prioritized list of the mission's strategic objectives:

- SO1 -- Expanded Access and Economic Opportunity for Rural Families in Poverty
- SO2 -- More Inclusive and Effective Democratic Processes
- SO3 -- Sustainable Improvements in Health of Women and Children
- SO4 -- Increased Access by Rural Households to Clean Water

This prioritization reflects the mission's assessment of the importance of the objectives to reducing rural poverty and to achieving U.S. national interests. Such a ranking, however, does not reflect the USAID/El Salvador's development hypothesis that rural poverty can be addressed only through a multi-sectoral and integrated strategy.

The ranking of the economic growth SO as the mission's highest priority SO highlights the importance of expanded economic access and opportunity to poverty reduction and to reducing pressures for illegal immigration to the U.S. The democracy SO's ranking as the second highest priority is an indication of the importance the U.S. Government puts on strengthening democratic processes and the rule of law, particularly in El Salvador. Furthermore, stronger democratic institutions and practices along with greater local citizen participation are key to providing the basis for poverty reduction and political stability.

The health SO and the water SO both address major constraints to delivery of basic services to rural families and therefor, poverty alleviation and are closely linked with U.S. foreign policy goals. However, given the primary focus of U.S. policy in El Salvador on economic growth and democracy, these two objectives were ranked lower.

Linkage With Centrally Funded Mechanisms

Expanded Access and Economic Opportunity for Rural Families Living in Poverty

The economic growth SO plans to call upon Global Bureau technical projects in several areas. The mission will buy into the Global Bureau's Microenterprise Innovation Project, 940-0406, to refine the mission's data and impact analysis relating to microfinance activities. The economic policy reform buy-ins and indefinite quantity contracts will be used to implement technical assistance in the areas of private provision of infrastructure and deregulation of public utilities. The mission has not yet determined which of the Economic Growth Center's activities can best meet the needs of these economic reforms. In addition, the mission has bought into the BASIS CRSP (936-4213) to help fund a research program on rural poverty in El Salvador that will be undertaken with a consortium of U.S. universities and collaborating local non-governmental organizations (NGOs).

More Inclusive and Effective Democratic Processes

Current plans for the democracy SO do not include use of any field support mechanisms, with the exception of the Peace Corps, indefinite quantity contracts in the area of governance and rule of law, and G/GD's PASA with the Department of Justice for prosecutorial training.

The requested Economic Support Funds (ESF) (\$2 million/year in FYs 1999 and 2000) are essential for continuing the U.S. Government's support for implementing key reforms in the judicial sector and of the electoral process. More specifically, ESF will support implementation of the new criminal legislation by providing specialized technical assistance to the judicial operators as they adapt the old process to new requirements, and the promotion and implementation of additional legal reforms in areas such as labor, commercial and civil law. ESF will not only finance technical assistance to specific legislative committees on priority policy issues and to accelerate implementation of electoral reform, but also to support pilot activities in the area of political party representation.

Sustainable Improvements in Health of Women and Children

During 1997 health activities were enhanced by field support in child survival, reproductive health and policy. A total of \$1,110,000 in field support funds, including \$700,000 for procurement of contraceptives, was obligated to support the mission's health SO. Field support has always been an important part of this SO strategy and is valued for the ease with which services are accessed as well as the range of quality international technical services available.

As a high level of capacity exists in country, the health SO does not envision the necessity of costly full-time expatriate teams living in country. Our clients need the more specific

periodic technical assistance that field support can bring. The health SO's activities will benefit from proven track records of experience in the policy arena as well as cutting edge research in specialized programs such as adolescent health and contraceptive methods.

Technical assistance from a series of centrally funded activities are planned for FY 1998 to complement this new approach. These activities are also designed to help El Salvador develop an adequate legal framework to ensure the sustainability of health services for rural women of reproductive age and children under five. For the rest of this strategy period the health SO plans to rely more heavily than ever before on field support. The SO will require \$6,831,500 in field support from FY 1998 to FY 2000 to carry out the planned activities and achieved the results.

Assistance in the area of reproductive health and family planning is planned from the Centers for Disease Control (CDC) (936-3038) to continue providing technical support to the Salvadoran Demographic Association for the completion of the 1998 National Family Health Survey.

The procurement of contraceptives through the Contraceptive Procurement Activity (936-3057) is also envisioned to continue in FY 1999 for at least three major family planning organizations of El Salvador, the Ministry of Health, the Social Security Institute and the Salvadoran Demographic Association. The launching of a revitalized contraceptives marketing program by the Salvadoran Demographic Association is the expected output from the central activity SOMARC-CSM III (936-3051).

The Johns Hopkins' Population Communication Services Program (936-3052) will provide support to the Ministry of Health and selected NGOs, to raise awareness on family planning and contraceptive issues in both the general population and the medical personnel. Also, under the PRIME program (936-3072) assistance will continue to be provided to the ministry through mid-1999.

Assistance from the central activity, Family Planning Management Development (936-3055), will reinforce the capability of several local institutions, including the Ministry of Health, to successfully plan and manage sustainable family planning programs. Under the FOCUS activity (936-3073) assistance will be received for the promotion of a responsible sexual behavior, mainly among adolescents.

Frontiers (936-3086), under the Strategy for Improving Service Delivery/Operations Research, will work closely with the health units to improve the quality, the accessibility and cost-effectiveness of family planning, reproductive health and maternal/child health delivery systems. A close coordination with local schools of medicine is also envisioned. Under the Family Health International Activity (936-3079) medical education in family planning is expected to continue.

In the area of Maternal Health and Child Survival the Linkages Activity (936-3082.01) will contribute to the promote the sustained promotion, protection and support of breastfeeding

and maternal and child dietary practices in El Salvador.

Under the central Applied Research in Child Health Activity (936-5986.09) support will be provided through applied research grants to local institutions to identify and test new cost-effective interventions in child health.

The OMNI Activity (936-5122.01) will continue its actions in Vitamin A and other micronutrients in El Salvador. Results from the nutrition survey, included in the 1998 National Family Health survey, will be the basis for the design for future interventions in rural communities of El Salvador.

The BASICS follow-on (936-3096) Activity will continue with the assistance in child survival as well as health policy and health economics working closely with the Ministry of Health and the Legislative Assembly.

The mission will use the new Infectious Diseases budget allocation to obtain expertise from the CDC and other international institutions to strengthen the Ministry of Health's capability in detecting and treating tuberculosis cases and to reinforce the country's surveillance system for the detection of this disease.

Without the availability of Population, Health and Nutrition (PHN) field support, it would be very difficult to achieve concrete results. New initiatives in the policy area, especially, are highly dependent upon the technical knowledge and ability not available in El Salvador to help stimulate and guide the process of health reform. In addition, although progress would continue to be made in ongoing child survival and reproductive health programs, without the benefit of specialized field support to help identify and overcome new policy and implementation barriers to efficient and effective delivery of the services under these programs, results would be much less than what otherwise could be expected.

Increased Access by Rural Households to Clean Water

Field support services have been and will continue to be important to the water SO. The water SO will continue its buy-in to the Environmental Education and Communication Global activity, GreenCOM, in FY 1998. The results of GreenCOM's environmental awareness campaigns have been impressive and the last year's funding provided the necessary tools to continue a campaign that stresses the crucial importance of clean water to the wellbeing and survival of all Salvadorans.

A second centrally funded activity which supports the SO is the Environmental Pollution Prevention Program (EP3) through which the SO is currently negotiating a buy-in to carry out pollution prevention assessments in two key Salvadoran industries.

GLOBAL FIELD SUPPORT

Objective Name	Field Support: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)					
				FY 1998		FY 1999		FY 2000	
				Obligated by:		Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
SO 1	936-4213 Broadening Access and Streng. Input Market Syst.	High	FY 02	70	50				45
	TBD - Economic Growth Center	Medium-high	FY 02	50		150		150	
	940-0406 Microenterprise Innovation Prj. - MICROSERVE	High	FY 99	130					
	940-0406 Microenterprise Innovation Prj. - AIMS	Medium-high	FY 98	10					
	936-1421 Peace Corps	High	C		17		17		17
SO 2	936-1421 Peace Corps	High	C		17		17		17
SO 3	936-3051 SOMARC III	Medium-low	FY 99		315				
	936-3072 PRIME	Medium-high	FY 03		800		200		
	936-3038 Family Planning Logistic Mgmt. (FPLM)	Medium-low	FY 00		100				
	936-3052 Inform. Education & Commun. Support	Medium-high	FY 01		50		50		50
	936-3055 Family Planning Mgmt. Development	Medium	FY 01		100		100		
	936-3073 FOCUS	Medium-high	FY 00		100		100		
	936-3086 FRONTIERS	Medium	FY 01		100		50		
	936-3079 Contraceptive Tech. Research	High	FY 01		200		100		
	936-3057 Central Contraceptive Procurement	Medium-high	FY 03		0		300		300
	936-3096 BASICS Follow-On	High	FY 03		200		400		400
	936-3082 LINKAGES	Medium	FY 01		100		50		50
	936-5986 Applied Research in Child Health	Medium-high	FY 01		200		50		
	936-5122 OMNI	Medium	FY 01		50		50		50
	936-5994 Centers for Disease Control Prevention	High	FY 02		917		500		500
	936-3090 Aids-RP2 IMPACT	Medium-high	FY 03		100		100		100
SO 4	936-5559-00 Environmental Pollution Prevention Prog	High	FY 98	70					
	936-5556 USDA Forest Service	Medium	FY 00			50		50	
	936-5839 GREENCOM	High	FY 99	300					
	9361421 Peace Corps	High	C		16		16		16
	GRAND TOTAL			630	3,432	200	2,100	200	1,545

* For Priorities use high, medium-high, medium, medium-low, low

OPERATING EXPENSE AND WORK FORCE

SUMMARY

USAID/El Salvador is systematically reducing staffing levels and identifying economies in its administrative operations in response to current and anticipated reductions in operating expenses (OE) and trust funds. In FY 1998 the mission received \$278,900 less than originally requested, and in FY 1999 the target funding level is \$426,900 less than requested in last year's R4 submission. U.S. direct hire staffing levels will decrease from the present level of 19 to 18 at the beginning of FY 1999. FY 1999 operations at the targeted funding level require that the mission further reduce both local staff and services. Consequently, mission management has advised the strategic objective teams that all new program activities must incorporate the assumption that minimal management resources will be available for the program in the future.

Currently, trust funds make up 60%, (approximately \$3.3 million) of the mission's operating budget, and these funds will be exhausted in FY 2000. Had the Mission not generated over \$400,000 in trust fund savings during FYs 1997 and 1998 and received an additional \$1.8 million deposit this year, trust funds would have been exhausted during FY 1999. Additional OE dollar funds must be made available to the post in FY 2000 to replace the trust funds needed to maintain the USAID program. If the mission is obliged to absorb further, significant reductions in its operating budget in FY 2000 and ensuing fiscal years, the development assistance program in El Salvador must be restructured so that the overall number of program activities can be reduced. A restructuring of the program, however, must take place over a period of several years to avoid penalties to the agency. Projected reductions in the operating budget must be clearly communicated to the post in a timely manner to allow for the orderly and rational implementation of any necessary changes.

The mission has been advised that it should straightline the OE budget through FY 2000, and it is noted that this implies a continuing reduction in funding in real terms, given inflationary pressures. The straightlining of the budget also prevents the mission from using the R4 as a management tool for projecting actual program implementation requirements. The resource request component of the R4 was envisioned as a basis for making informed decisions about the actual programmatic and operating requirements which are necessary to achieve development results. The simple straightlining of the mission's OE budget does not inform the decision making process, and it is disappointing that the R4 is not being used as it was originally intended.

OPERATING EXPENSE AND TRUST FUNDS

The mission recognizes that operating expense funds in ensuing fiscal years will be increasingly scarce, and it has made a concerted effort to conserve resources.

In FY 1999, however, despite target budget reductions, the mission must plan for significant procurement of replacement non-expendable property (NXP). While some badly needed automated data processing (ADP) hardware and individual pieces of residential furniture were procured during FY 1997, the mission was forced to defer the majority of its property replacement program and to abandon its approved procurement plan for the year. The mission had planned to procure NXP in the amount of \$338,000 in FY 1998 but due to reductions in funding, only \$124,000 was made available. As a consequence, in FY 1999 the mission needs to continue to upgrade its ADP hardware and software and to replace several aging household sets of furniture and appliances. Important procurement has simply been deferred to future fiscal years.

Note that in addition to the reduction of the mission's FY 1998 operating budget by \$278,900, several other unanticipated expenditures have further reduced funds for mission support, with important ramifications for future fiscal years: a U.S. direct hire (USDH) employee received mid-tour transfer orders to Washington, which will require that the mission wholly fund the transfer; the reduction of one USDH position to conform with full-time equivalent ceiling reductions will require the mission to fund the travel of another employee to Washington; an unbudgeted school-away-from-post educational allowance for a dependent child was recently approved; and another employee was medically evacuated for a lengthy period. These events have served to seriously reduce funds for mission support, and placed additional pressure on next year's budget.

Therefore, the mission has made every effort to reduce services and to eliminate nonessential expenditures. The executive office (EXO) has terminated the short-term lease for the mission guest house facility to save approximately \$21,000 annually. While the guest house had represented a means of reducing the costs of temporary duty visits and was valuable as a site for SO team meetings and office retreats, it was determined that the facility was no longer economical to operate.

Plans for the construction of a joint warehouse facility on the Embassy compound have been developed and submitted to the Federal Buildings Office for funding; and it is calculated that the cost of USAID's share of the construction will be amortized in less than four years. The construction of this central storage facility will allow the mission to terminate two short-term leases for commercial warehouse space to realize an annual cost savings in excess of \$60,000.

The mission's institutional support services contracts were renegotiated in FY 1997 and again modified in FY 1998 to reduce the type and level of the services acquired; however, the mission plans to terminate these contracts entirely in FY 1999, as detailed below.

WORK FORCE

The USAID mission has continued to review staffing levels in every area to identify savings. It is noted in the R4 guidance for this year that the mission can now manage the numbers of locally recruited staff to the budget. The numbers of personnel in the mission is properly a function of funds availability and the relative labor intensity required to develop and implement the assistance program, and the relaxation of centrally imposed ceilings on locally recruited staff is very welcome. In this regard, the mission has eliminated one USPSC position and will eliminate one internationally recruited third-country national (TCN) position and two foreign service national personal service contractor (FSNPSC) positions in FY 1999 to accommodate OE budget reductions.

The mission now acquires commercial services through institutional support services contracts, under which the mission receives residential maintenance, warehousing, custodial, and certain clerical services. In order to save funds and reduce operating expenses, the mission plans to eliminate these contracts entirely in FY 1999, and employ the FSN staff we need to provide the services required.

We currently utilize the services of 29 foreign nationals under two institutional support services contracts. Given the current level of oversight provided by the contracts officer's technical representative, we can employ individuals doing the same work without incurring any additional administrative expense. The combined overhead of the two institutional contracts, totaling \$69,000 per year, will be saved. Additionally, another \$101,000 in savings will be generated by discontinuing some services now received. Given that the mission will be eliminating other positions in other areas, as detailed in the preceding paragraphs, the total number of FSNPSC staff employed by the mission will increase by 16 administrative support staff to compensate for the termination of the services contracts and to achieve a total, continuing savings of \$170,000 annually.

The mission already possesses the administrative capability to employ and payroll additional staff, and no augmentation of our existing personnel, contracting or Controller staff is necessary to absorb the new employees.

INTERNATIONAL COOPERATIVE ADMINISTRATIVE SUPPORT SERVICES (ICASS)

In FY 1998, USAID's ICASS costs are \$744,865. The \$532,000 which USAID budgeted in last year's R4 was based on draft ICASS Specific Expenses reports for USAID, which did not include costs for "GO/LTL Non-Residential Building Ops" for the routine maintenance of the Embassy compound, including the USAID office building. It is recognized that USAID is required to participate in funding these expenses and that a share of the costs should be

distributed to the mission.

USAID/El Salvador does not anticipate increasing its participation in ICASS, and does not plan to procure any additional services. While ICASS levels are significantly higher than originally projected, services have been streamlined and are considered to be well managed and economical, given the relative scale of ICASS operations at this large post. The mission is pleased with ICASS operations, and a mutually supportive and transparent system has been established in El Salvador.

YEAR 2000 COMPLIANCE

The mission has reviewed recent IRM guidance regarding year 2000 compliance (Y2K) and has determined that the mission will incur significant costs in modifying existing information systems. These costs are estimated to be \$125,000 in FY 1999, and include the cost of converting all mission mini-computers to the Microsoft Office Suite, 15 new Y2K-compliant personal computers and upgraded server operating systems (Sparc 10 and IBM RISC).

However, the mission strongly believes that the most important area that needs to be addressed now by IRM is the completion of the Mission Accounting Control System (MACS) coding for Y2K compliance. USAID/El Salvador is one of the few missions that have critical systems linked to MACS. The mission has a payroll application for FSN and USPSC employees which has an automated update feature linked to the MACSTRAX system; this system must be modified when the MACS Y2K coding is completed. Obviously, this process cannot start before a revised MACS Y2K file description is available. In addition, the mission has several other small systems in the Controller's Office that are linked to MACS and have to be revised in the same way. No additional costs are projected for modifying these systems, as the EXO systems manager and his staff have the capability to rewrite these locally developed programs.

Given current pressures on the mission's OE budget, it is expected that increasingly difficult choices will have to be made on funding priorities this year and each following fiscal year. The cost of ensuring that mission ADP systems are Y2K compliant is simply another operating requirement that places additional pressure on dwindling OE resources.

Workforce

USAID/EL SALVADOR FY 1998 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
U.S. Direct Hire	3	2	2	1				8	2	3	1	1	1	3	11	19
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0				0	0	1	0	0	0	0	1	1
Program	2	2	0	0				4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	1	1	1				8	1	9	4	1	0	2	17	25
FSN/TCN Non-Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	1	0	0	0	1	1
OE Locally Recruited	5	2	2	2				11	1	19	36	8	0	9	73	84
Program	12	6	4	1				23	0	1	0	0	0	0	1	24
Total Staff Levels	27	13	9	5				54	4	33	42	10	1	14	104	158
TAACS Fellows																

1/ Excluding TAACS and Fellows

Workforce

USAID/EL SALVADOR FY 1999 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
U.S. Direct Hire	3	2	2	1				8	2	2	1	1	1	3	10	18
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0				0	0	1	0	0	0	0	1	1
Program	1	2	0	1				4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	1	1	1				8	1	9	4	1	0	2	17	25
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	2	2	1				10	1	19	52	8	0	9	89	99
Program	9	6	4	1				20	0	0	0	0	0	0	0	20
Total Staff Levels	23	13	9	5				50	4	31	57	10	1	14	117	167
TAACS Fellows																

1/ Excluding TAACS and Fellows

USAID/EL SALVADOR FY 1999 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
U.S. Direct Hire	3	2	2	1				8	2	2	1	1	1	3	10	18
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0				0	0	1	0	0	0	0	1	1
Program	1	2	0	1				4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire: OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	1	1	1				8	1	9	4	1	0	2	17	25
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	2	2	1				10	1	19	52	8	0	9	89	99
Program	9	6	4	1				20	0	0	0	0	0	0	0	20
Total Staff Levels	23	13	9	5				50	4	31	57	10	1	14	117	167
TAACS Fellows																

1/ Excluding TAACS and Fellows

Workforce

USAID/EL SALVADOR FY 2000 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
U.S. Direct Hire	3	2	2	1				8	2	2	1	1	1	3	10	18
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0				0	0	1	0	0	0	0	1	1
Program	1	2	0	1				4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	1	1	1				8	1	9	4	1	0	2	17	25
FSN/TCN Non-Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	2	2	1				10	1	19	52	8	0	9	89	99
Program	9	6	4	1				20	0	0	0	0	0	0	0	20
Total Staff Levels	23	13	9	5				50	4	31	57	10	1	14	117	167
TAACS Fellows																

1/ Excluding TAACS and Fellows

USAID/EL SALVADOR FY 2000 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
U.S. Direct Hire	3	2	2	1				8	2	2	1	1	1	3	10	18
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0				0	0	1	0	0	0	0	1	1
Program	1	2	0	1				4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	1	1	1				8	1	9	4	1	0	2	17	25
FSN/TCN Non-Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	2	2	1				10	1	19	52	8	0	9	89	99
Program	9	6	4	1				20	0	0	0	0	0	0	0	20
Total Staff Levels	23	13	9	5				50	4	31	57	10	1	14	117	167
TAACS Fellows																

1/ Excluding TAACS and Fellows

Workforce

USAID/EL SALVADOR FY 2001 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
U.S. Direct Hire	3	2	2	1				8	2	2	1	1	1	3	10	18
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0				0	0	1	0	0	0	0	1	1
Program	1	2	0	1				4	0	0	0	0	0	0	0	4
FSN/TCN Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	1	1	1				8	1	9	4	1	0	2	17	25
FSN/TCN Non-Direct Hire:																
OE Internationally Recruited	0	0	0	0				0	0	0	0	0	0	0	0	0
OE Locally Recruited	5	2	2	1				10	1	19	52	8	0	9	89	99
Program	9	6	4	1				20	0	0	0	0	0	0	0	20
Total Staff Levels	23	13	9	5				50	4	31	57	10	1	14	117	167
TAACS Fellows																

1/ Excluding TAACS and Fellows

Workforce

USAID/EL SALVADOR Summary On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Controller	AMS/ EXO	Contract	Legal	All Other		
FY 1998:																
U.S. Direct Hire	3	2	2	1	0	0	0	8	2	3	1	1	1	3	11	19
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	1
OE Locally Recruited	10	3	3	3	0	0	0	19	2	29	40	9	0	11	91	110
Total OE Funded Staff	13	5	5	4	0	0	0	27	4	32	42	10	1	14	103	130
Program Funded	14	8	4	1	0	0	0	27	0	1	0	0	0	0	1	28
Total FY 1998	27	13	9	5	0	0	0	54	4	33	42	10	1	14	104	158
FY 1999 Target:																
U.S. Direct Hire	3	2	2	1	0	0	0	8	2	2	1	1	1	3	10	18
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	10	3	3	2	0	0	0	18	2	29	56	9	0	11	107	125
Total OE Funded Staff	13	5	5	3	0	0	0	26	4	31	57	10	1	14	117	143
Program Funded	10	8	4	2	0	0	0	24	0	0	0	0	0	0	0	24
Total FY 1999 Target	23	13	9	5	0	0	0	50	4	31	57	10	1	14	117	167
FY 1999 Request:																
U.S. Direct Hire	3	2	2	1	0	0	0	8	2	2	1	1	1	3	10	18
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	10	3	3	2	0	0	0	18	2	29	56	9	0	11	107	125
Total OE Funded Staff	13	5	5	3	0	0	0	26	4	31	57	10	1	14	117	143
Program Funded	10	8	4	2	0	0	0	24	0	0	0	0	0	0	0	24
Total FY 1999 Request	23	13	9	5	0	0	0	50	4	31	57	10	1	14	117	167
FY 2000 Target:																
U.S. Direct Hire	3	2	2	1	0	0	0	8	2	2	1	1	1	3	10	18
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	10	3	3	2	0	0	0	18	2	29	56	9	0	11	107	125
Total OE Funded Staff	13	5	5	3	0	0	0	26	4	31	57	10	1	14	117	143
Program Funded	10	8	4	2	0	0	0	24	0	0	0	0	0	0	0	24
Total FY 2000 Target	23	13	9	5	0	0	0	50	4	31	57	10	1	14	117	167
FY 2000 Request:																
U.S. Direct Hire	3	2	2	1	0	0	0	8	2	2	1	1	1	3	10	18
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	10	3	3	2	0	0	0	18	2	29	56	9	0	11	107	125
Total OE Funded Staff	13	5	5	3	0	0	0	26	4	31	57	10	1	14	117	143
Program Funded	10	8	4	2	0	0	0	24	0	0	0	0	0	0	0	24
Total FY 2000 Request	23	13	9	5	0	0	0	50	4	31	57	10	1	14	117	167
FY 2001 Estimate:																
U.S. Direct Hire	3	2	2	1	0	0	0	8	2	2	1	1	1	3	10	18
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	10	3	3	2	0	0	0	18	2	29	56	9	0	11	107	125
Total OE Funded Staff	13	5	5	3	0	0	0	26	4	31	57	10	1	14	117	143
Program Funded	10	8	4	2	0	0	0	24	0	0	0	0	0	0	0	24
Total FY 2000 Target	23	13	9	5	0	0	0	50	4	31	57	10	1	14	117	167

Workforce

MISSION : USAID/ELSALVADOR

USDH STAFFING REQUIREMENTS BY SKILL CODE

BACKSTOP (BS)	NO. OF USDH EMPLOYEES IN BACKSTOP FY 98	NO. OF USDH EMPLOYEES IN BACKSTOP FY 99	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001
01SMG	2	2	2	2
02 Program Off.	1	1	1	1
03 EXO	1	1	1	1
04 Controller	3	2	2	2
05/06/07 Secretary	0	0	0	0
10 Agriculture.	0	0	0	0
11Economics	1	1	1	1
12 GDO	0	0	0	0
12 Democracy	2	2	2	2
14 Rural Dev.	1	1	1	1
15 Food for Peace	0	0	0	0
21 Private Ent.	0	0	0	0
25 Engineering	0	0	0	0
40 Environ	1	1	1	1
50 Health/Pop.	2	2	2	2
60 Education	1	1	1	1
75 Physical Sci.	0	0	0	0
85 Legal	1	1	1	1
92 Commodity Mgt	0	0	0	0
93 Contract Mgt	1	1	1	1
94 PDO	2	2	2	2
95 IDI	2	3	2	2
Other*	0	0	0	0
TOTAL	21	21	20	20

*please list occupations covered by other if there are any

TRUST FUNDS & FSN SEPARATION FUND

FN-25519

Orgno.: USAID/EL SALVADOR_____

Org. Title: 25519_____

Foreign National Voluntary Separation Account

Action	FY 97			FY 98			FY 99		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	42.6	9.3	51.9	65.9	12.5	78.4	50.2	14.3	64.5
Withdrawals	21.5	14.4	35.9	0.0		0.0			0.0

Unfunded Liability (if any)
at the end of each FY.

Local Currency Trust Funds - Regular (\$000s)

	FY 97	FY 98	FY 99
Balance Start of Year	7,810.0	5,754.2	5,157.7
Obligations	3,355.1	3,297.5	3,297.5
Deposits	1,299.3	2,701.0	622.8
Balance End of Year	5,754.2	5,157.7	2,483.0

Exchange Rate(s) Used

Trust Funds in Dollar Equivalents, not in Local Country Equivalents**Local Currency Trust Funds - Real Property (\$000s)**

	FY 97	FY 98	FY 99
Balance Start of Year		0.0	0.0
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Trust Funds in Dollar Equivalents, not in Local Country Equivalents

03/27/98

USAID/EL SALVADOR 2000 R4

Org. Title: USAID/EL SALVADOR Org. No: 25519 OC	Overseas Mission Budgets														
	FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
Org. Title: USAID/EL SALVADOR Org. No: 25519 OC	Overseas Mission Budgets														
	FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total

Operating Expenses

OE-25519

Org. Title: USAID/EL SALVADOR Org. No: 25519 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH		846.9	846.9		846.9	846.9		846.9	846.9	799.9	47	846.9	799.9	47	846.9
	Subtotal OC 11.1	0	846.9	846.9	0	846.9	846.9	0	846.9	846.9	799.9	47	846.9	799.9	47	846.9
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH		6.2	6.2		6.2	6.2		6.2	6.2		6.2	6.2		6.2	6.2
	Subtotal OC 11.5	0	6.2	6.2	0	6.2	6.2	0	6.2	6.2	0	6.2	6.2	0	6.2	6.2
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	186.1		186.1	122.5		122.5	122.5		122.5	122.5		122.5	122.5		122.5
11.8	FN PSC Salaries		1533.2	1533.2		1669.4	1669.4		1669.4	1669.4		1688.2	1688.2		1688.2	1688.2
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0			0			0
	Subtotal OC 11.8	186.1	1533.2	1719.3	122.5	1669.4	1791.9	122.5	1669.4	1791.9	122.5	1688.2	1810.7	122.5	1688.2	1810.7
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	175.5		175.5	160.5	15.1	175.6	160.5	15.1	175.6	175.6		175.6	175.6		175.6
12.1	Cost of Living Allowances	6.8		6.8	6.8		6.8	6.8		6.8			0			0
12.1	Home Service Transfer Allowances			0			0			0			0			0
12.1	Quarters Allowances	8.3		8.3			0			0			0			0
12.1	Other Misc. USDH Benefits	4.2		4.2	4.2		4.2	4.2		4.2	4.2		4.2	4.2		4.2
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FNDH	14.3	55.1	69.4	15.5	38.9	54.4	15.5	38.9	54.4	14.5	47.6	62.1	14.5	47.6	62.1
12.1	Other FNDH Benefits		94.8	94.8		94.8	94.8		94.8	94.8		96.3	96.3		96.3	96.3
12.1	US PSC Benefits			0			0			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FN PSC	51.6	102.3	153.9	34.6	72.1	106.7	34.6	72.1	106.7	36	75.4	111.4	36	75.4	111.4
12.1	Other FN PSC Benefits		160.2	160.2		160.2	160.2		160.2	160.2		160.2	160.2		160.2	160.2
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0			0			0
	Subtotal OC 12.1	260.7	412.4	673.1	221.6	381.1	602.7	221.6	381.1	602.7	230.3	379.5	609.8	230.3	379.5	609.8
13	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FNDH			0			0			0			0			0
13	Other Benefits for Former Personnel - FNDH			0			0			0			0			0
13	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FN PSCs			0			0			0			0			0
13	Other Benefits for Former Personnel - FN PSCs			0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Operating Expenses

OE-25519

Org. Title: USAID/EL SALVADOR Org. No: 25519 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
21	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Training Travel	84.5		84.5	82.5		82.5	82.5		82.5	82.5		82.5	82.5		82.5
21	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Post Assignment Travel - to field	12		12	10.2		10.2	10.2		10.2	12		12	12		12
21	Assignment to Washington Travel	13.8		13.8	8.4		8.4	8.4		8.4	13.8		13.8	13.8		13.8
21	Home Leave Travel	19.9		19.9	23.8		23.8	23.8		23.8	19.9		19.9	19.9		19.9
21	R & R Travel	24.6		24.6	13.9		13.9	13.9		13.9	24.6		24.6	24.6		24.6
21	Education Travel	5		5	5		5	5		5	5		5	5		5
21	Evacuation Travel	6		6	6		6	6		6	6		6	6		6
21	Retirement Travel			0			0			0			0			0
21	Pre-Employment Invitational Travel			0			0			0			0			0
21	Other Mandatory/Statutory Travel	25		25	25		25	25		25	25		25	25		25
21	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Site Visits - Headquarters Personnel	11		11	11		11	11		11	11		11	11		11
21	Site Visits - Mission Personnel	10	10.9	20.9	10	10.9	20.9	10	10.9	20.9	10.9	10.9	21.8	10.9	10.9	21.8
21	Conferences/Seminars/Meetings/Retreats	27.7		27.7	27.7		27.7	27.7		27.7	27.7		27.7	27.7		27.7
21	Assessment Travel			0			0			0			0			0
21	Impact Evaluation Travel			0			0			0			0			0
21	Disaster Travel (to respond to specific disasters)			0			0			0			0			0
21	Recruitment Travel			0			0			0			0			0
21	Other Operational Travel	10.5		10.5	10.5		10.5	10.5		10.5	17.3		17.3	17.3		17.3
	Subtotal OC 21.0	250	10.9	260.9	234	10.9	244.9	234	10.9	244.9	255.7	10.9	266.6	255.7	10.9	266.6
22	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22	Post assignment freight	99		99	82.5		82.5	82.5		82.5	110		110	110		110
22	Home Leave Freight	15.6		15.6	23.8		23.8	23.8		23.8	22.6		22.6	22.6		22.6
22	Retirement Freight			0			0			0			0			0
22	Transportation/Freight for Office Furniture/Equip.	1.8		1.8	14.4		14.4	14.4		14.4	14.9		14.9	14.9		14.9
22	Transportation/Freight for Res. Furniture/Equip.	3		3	6.2		6.2	6.2		6.2	2.0		2	2.0		2
	Subtotal OC 22.0	119.4	0	119.4	126.9	0	126.9	126.9	0	126.9	149.5	0	149.5	149.5	0	149.5
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space			0			0			0			0			0
23.2	Rental Payments to Others - Warehouse Space	50.9		50.9	50.9		50.9	50.9		50.9	50.9		50.9	50.9		50.9
23.2	Rental Payments to Others - Residences	356.3		356.3	448.1		448.1	448.1		448.1	448.1		448.1	448.1		448.1
	Subtotal OC 23.2	407.2	0	407.2	499	0	499	499	0	499	499	0	499	499	0	499
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	156	9.2	165.2	156	9.2	165.2	156	9.2	165.2	156	9.2	165.2	156	9.2	165.2
23.3	Residential Utilities	2	85	87	2	85.9	87.9	2	85.9	87.9	2	80	82	2	80	82
23.3	Telephone Costs	15.3	35	50.3	15.3	35	50.3	15.3	35	50.3	15.3	35	50.3	15.3	35	50.3
23.3	ADP Software Leases			0			0			0			0			0
23.3	ADP Hardware Lease			0			0			0			0			0
23.3	Commercial Time Sharing			0			0			0			0			0

Operating Expenses

OE-25519

Org. Title: USAID/EL SALVADOR Org. No: 25519 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
23.3	Postal Fees (Other than APO Mail)			0			0			0			0			0
23.3	Other Mail Service Costs			0			0			0			0			0
23.3	Courier Services	5.1		5.1	5.1		5.1	5.1		5.1	5.1		5.1	5.1		5.1
	Subtotal OC 23.3	178.4	129.2	307.6	178.4	130.1	308.5	178.4	130.1	308.5	178.4	124.2	302.6	178.4	124.2	302.6
24	Printing and Reproduction	2		2	2		2	2		2	2		2	2		2
	Subtotal OC 24.0	2	0	2	2	0	2	2	0	2	2	0	2	2	0	2
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services	2.4		2.4	5		5	5		5	5		5	5		5
25.1	Engineering & Technical Services		2.6	2.6			0			0			0			0
	Subtotal OC 25.1	2.4	2.6	5	5	0	5	5	0	5	5	0	5	5	0	5
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	48		48	48		48	48		48	48		48	48		48
25.2	Residential Security Guard Services	162		162	162		162	162		162	162		162	162		162
25.2	Official Residential Expenses	2.5		2.5	2.5		2.5	2.5		2.5	2.5		2.5	2.5		2.5
25.2	Representation Allowances	1.3		1.3	1.3		1.3	1.3		1.3	1.3		1.3	1.3		1.3
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees		6.5	6.5		6.5	6.5		6.5	6.5		6.5	6.5		6.5	6.5
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts	206	132.4	338.4		29.2	29.2		29.2	29.2		29.2	29.2		29.2	29.2
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services	48.7	23.5	72.2	48.7	23.5	72.2	48.7	23.5	72.2	48.7	23.3	72	48.7	23.3	72
25.2	Staff training contracts			0			0			0			0			0
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	468.5	162.4	630.9	262.5	59.2	321.7	262.5	59.2	321.7	269	52.5	321.5	269	52.5	321.5
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	744.9		744.9	744.9		744.9	744.9		744.9	744.9		744.9	744.9		744.9
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	744.9	0	744.9	744.9	0	744.9	744.9	0	744.9	744.9	0	744.9	744.9	0	744.9
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance		5	5		5	5		5	5		5	5		5	5
25.4	Residential Building Maintenance		31.2	31.2		31.2	31.2		31.2	31.2		31.2	31.2		31.2	31.2
	Subtotal OC 25.4	0	36.2	36.2	0	36.2	36.2	0	36.2	36.2	36.2	0	36.2	36.2	0	36.2
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0			0			0
25.7	Storage Services			0			0			0			0			0

Operating Expenses

OE-25519

Org. Title: USAID/EL SALVADOR Org. No: 25519 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.7	Office Furniture/Equip. Repair and Maintenance		33.5	33.5		33.5	33.5		33.5	33.5		33.5	33.5		33.5	33.5
25.7	Vehicle Repair and Maintenance		10	10		10	10		10	10		10	10		10	10
25.7	Residential Furniture/Equip. Repair and Maintenance		30.2	30.2		30.2	30.2		30.2	30.2		30.2	30.2		30.2	30.2
	Subtotal OC 25.7	0	73.7	73.7	0	73.7	73.7	0	73.7	73.7	0	73.7	73.7	0	73.7	73.7
25.8	Substance and support of persons (by contract or Gov't.)			0			0			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Supplies and materials	50	83.8	133.8	50	83.8	133.8	50	83.8	133.8	50	83.8	133.8	50	83.8	133.8
	Subtotal OC 26.0	50	83.8	133.8	50	83.8	133.8	50	83.8	133.8	50	83.8	133.8	50	83.8	133.8
31	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31	Purchase of Residential Furniture/Equip.	30		30	62		62	62		62	20		20	20		20
31	Purchase of Office Furniture/Equip.	14.3		14.3	12.5		12.5	12.5		12.5	8.5		8.5	8.5		8.5
31	Purchase of Vehicles	35		35	35		35	35		35	70		70	70		70
31	Purchase of Printing/Graphics Equipment	15		15	15		15	15		15	15		15	15		15
31	ADP Hardware purchases	33.5		33.5	226.1		226.1	226.1		226.1	173		173	173		173
	Subtotal OC 31.0	127.8	0	127.8	350.6	0	350.6	350.6	0	350.6	286.5	0	286.5	286.5	0	286.5
32	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32	Purchase of Land & Buildings (& construction of bldgs.)			0			0			0			0			0
32	Purchase of fixed equipment for buildings			0			0			0			0			0
32	Building Renovations/Alterations - Office			0			0			0			0			0
32	Building Renovations/Alterations - Residential			0			0			0			0			0
	Subtotal OC 32.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Claims and indemnities			0			0			0			0			0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL BUDGET	2797.4	3297.5	6094.9	2797.4	3297.5	6094.9	2797.4	3297.5	6094.9	3628.9	2466	6094.9	3628.9	2466	6094.9
																2466
																0.0
Dollars Used for Local Currency Purchases		699.3			533			533			1040			1040		
Exchange Rate Used in Computations		8.75			8.75			8.75			8.75			8.75		

APPENDIX

LIST OF ACRONYMS

ADP	Automated data processing
AIDS	Acquired immunodeficiency syndrome
ANDA	National Administration for Aqueducts and Sewage
ARENA	Nationalist Republican Alliance
CAM	Microenterprise Support Center
CARE	Cooperative for Assistance and Relief Everywhere, Inc.
CID	Interdisciplinary Consultant in Development
COMURES	Salvadoran Corporation of Municipalities
CONRA	National Commission for Water Resource
CRS	Catholic Relief Service
CSO	Civil society organization
DAC	Development Assistance Committee
DAEC	Development Assistance Executive Committee
DPT3	Diphtheria, pertussis, tetanus vaccination series
FESAL	National Family Health Survey
FIAES	Enterprise for the Americas Initiative Debt Reduction Fund
FINCA/CAM	Foundation for International Community Assistance
FMLN	Farabundo Marti National Liberation Front
FNDH	Foreign national direct hire
FSNPSC	Foreign service national personal service contractors
G/DG	Global Bureau, Center for Democracy and Governance
GCC	Global climate change
GDP	Gross domestic product
G/ENV	Global Bureau, Center for Environment
GTZ	German Technical Assistance
GOES	Government of El Salvador
HIV	Human immunodeficiency virus
ICASS	International Cooperative Administrative Support Services
IDB	Inter-American Development Bank
IEE	Initial environmental examination
IMCI	Integrated Management of Childhood Illnesses
IRM	Information Resources Management
ISTA	Salvadoran Institute of Agrarian Reform
LAC	Bureau for Latin American and the Caribbean
MACS	Mission Accounting Control System
MOE	Ministry of Education
MOH	Ministry of Health
MPP	Mission Performance Plan
NGO	Non-governmental organization
NRP	National Reconstruction Program
NXP	Non-expendable property

OE	Operating expenses
OECD	Organization for Economic Cooperation Development
PAHO	Pan American Health Organization
PROSAMI	Maternal Health and Child Survival Project
PVO	Private voluntary organization
SABE	Strengthening Achievement in Basic Education
SSO	Special Strategic Objective
TCN	Third-country national
TF	Trust Fund
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
USDH	U.S. direct hire
USG	U.S. Government
USPSC	U.S. personal service contractor
Y2k	Year 2000 compliance